public accounts 1986–87

volume 1 — financial statements

Manitoba Finance

for the year ended March 31, 1987

TO THE HONOURABLE DR. GEORGE JOHNSON
Lieutenant–Governor of the Province of Manitoba.

May It Please Your Honour:

The undersigned has the honour to present the Public Accounts of the Province of Manitoba for the year ended 31st March, 1987.

HONOURABLE EUGENE KOSTYRA
Minister of Finance

Office of the Minister of Finance,
December, 1987

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INTRODUCTION TO THE PUBLIC ACCOUNTS OF MANITOBA

The Public Accounts of the Province of Manitoba are prepared by statutory requirement, in accordance with the Financial Administration Act, which is Chapter F55 of the Continuing Consolidation of the Statutes of Manitoba. The Public Accounts for the fiscal year ended March 31, 1987 consists of two volumes:

Volume 1 contains the financial statements of the Province and schedules of supporting information.

Volume 2 is a supplementary volume which contains further details of the expenditures by standard expenditure object codes. It also provides details of the salaries and wages paid to employees as well as payments to corporations, firms, individuals, other Governments and Government Agencies.

CONTENTS OF VOLUME 1 — FINANCIAL STATEMENTS

a) **Section 1 — Summary Financial Statements**

This section provides a summary of the government's operations and financial requirements for the fiscal year ended March 31, 1987 and its financial position at the year-end.

b) **Section 2 — Details of Operating Fund Assets and Liabilities**

The schedules to the financial statements report in greater detail the content of the Statement of Operating Fund Assets and Liabilities.

c) **Section 3 — Borrowings, Guaranteed and Indirect Liabilities, Financial Commitments and Contingent Liabilities**

These statements provide details of the direct and guaranteed debt obligations at the fiscal year-end and the sinking funds that are maintained for repayment of this debt.

d) **Section 4 — Detailed Revenue and Expenditure Statements**

These statements provide detailed information regarding the revenue and expenditure of the fiscal year. This section also includes information that is provided in accordance with statutory requirement.

e) **Section 5 — Trust Fund Statements**

Financial statements prepared for the Trust Fund report the activities in the various categories of trust money administered by the Province.

f) **Section 6 — Other Funds**

Statements of certain special purpose accounts are provided in this section.

CONTENTS OF VOLUME 2 — SUPPLEMENTARY INFORMATION

The contents of this volume are described in the preface to volume 2.

REPORT OF THE PROVINCIAL AUDITOR ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE PROVINCE OF MANITOBA

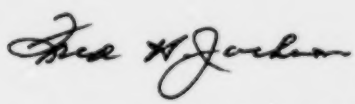
I report that the Consolidated Fund financial statements included in the Public Accounts of Manitoba have been examined under my direction for the year ended March 31, 1987. The examination was made in accordance with generally accepted auditing standards and included such tests and other procedures as we considered necessary in the circumstances.

The statement of revenue and expenditure does not reflect the increase of $49.8 million (1986 — $69.9 million) in the valuation allowance and the accrued liability of $7.6 million to the Manitoba Development Corporation in the determination of the net budgetary requirement. The financial statements present these matters on a basis consistent with the Government's accounting policies. However, this presentation results in a fragmentation of operating results. As indicated in note 12 and in the application of the accounting policies, the Government is changing its accounting policy to fund losses recognized in the valuation allowance through an appropriation, commencing with the year ended March 31, 1989.

Loans and advances to Crown Corporations, Agencies, Boards and Commissions includes a loan of $11.0 million to Manitoba Properties Inc. Inclusion of this amount as a loan is inappropriate because this amount does not represent a claim against other parties. Servicing of this amount will be through future charges to a Government appropriation. As described in note 3, the nature of this transaction is the funding of operating capital expenditures. In that the Corporation provides services solely to the Government and receives operational direction from the Government, treating this Corporation as other than part of the Government is unrealistic. These expenditures would be more appropriately shown as expenditures in determining the net budgetary requirement.

The cumulative effect on the statement of revenue and expenditure of the matters raised in the preceding two paragraphs is an understatement by $68.4 million of the reported net budgetary requirement of $559 million. The comparative amount for 1986 of $528 million is understated by $75.2 million. The cumulative effect on the operating fund statement of financial position is an overstatement of the reported financial assets and an understatement of the reported excess of liabilities over financial assets by $11.0 million.

In our opinion, except for the matters noted in the preceding three paragraphs, these financial statements present fairly the financial position of the Government of the Province of Manitoba as at March 31, 1987 and the results of its operations and the changes in its financial position for the year then ended. The financial statements are presented in accordance with the Government's stated accounting policies applied, except for the changes in the accounting policies explained in note IV to the financial statements, on a basis consistent with that of the preceding year.



December 7, 1987.
Winnipeg, Manitoba.

F. H. Jackson, CA
Provincial Auditor.

SUMMARY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

MARCH 31, 1987

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GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF RESPONSIBILITY

Responsibility for the integrity and objectivity of the financial statements rests with the Government. The financial statements are prepared under the direction of the Minister of Finance in accordance with the stated accounting policies of the Government. These summary financial statements include a statement of financial position, a statement of revenue and expenditure, a statement of changes in financial position, accounting policies and notes and schedules integral to the statements. Together, they present fairly, in all material respects the Government's financial condition at the fiscal period-end and results of operations for the year then ended. More detailed information regarding the Government's financial position and operating results can be found in other sections of this volume and in volume 2 of the Public Accounts.

In accordance with the Government's accounting policies, expenditures related to the acquisition or construction of physical assets are treated as part of the total expenditure for the fiscal year as reported on the Statement of Revenue and Expenditure. As a result, a substantial part of the Net Budgetary Requirement reported on that statement is required for this type of expenditure. The Net Operating Requirement of the Government, exclusive of Capital Related Expenditure, is presented on schedule 1 of these Summary Financial Statements.

On behalf of the Government,

HONOURABLE EUGENE KOSTYRA
Minister of Finance

December, 1987

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF FINANCIAL POSITION – OPERATING FUND

AS AT MARCH 31, 1987
(with comparative figures for March 31, 1986)

Schedule No		($ millions) 1987	1986
	FINANCIAL ASSETS		
	Cash and Equivalents	$ 625	$ 552
2.	Revenue Receivable	137	138
3.	Loans and Advances		
	Crown Corporations, Agencies, Boards and Commissions	2,985	2,523
	Other Governments	10	11
	Others	84	86
4.	Long-Term Investments	158	286
	Valuation Allowance	(58)	(193)
	Total Financial Assets	$ 3,941	$ 3,403
	LIABILITIES		
	Amount owing to the Trust Fund	$ 570	$ 488
5.	Accounts Payable, Accrued Charges and Funds Subject to Call	368	294
6.	Borrowings (Note 1):		
	Bonds and Debentures	4,858	3,912
	Canada Pension Plan	1,223	1,172
	Government of Canada	123	155
	Treasury Bills	325	325
	Provision for Unrealized Foreign Currency Losses	278	209
	Total Liabilities	$ 7,745	$ 6,555
	EXCESS OF LIABILITIES OVER FINANCIAL ASSETS AND OTHER OBLIGATIONS HELD BY THE PROVINCE CONSIDERED TO BE SIMILAR IN NATURE		
	Serial Debentures of School Divisions and Districts	$ 162	$ 176
	Securities Received from Sale of Land and Buildings (Notes 2 and 3)	182	182
	Excess of Liabilities over Financial Assets	3,460	2,794
	Total Excess of Liabilities Over Financial Assets and Similar Items	$ 3,804	$ 3,152

Information concerning the Government's Guaranteed and Indirect Liabilities, Financial Commitments and Contingent Liabilities can be found in the Notes and Schedules To The Financial Statements.

Trust Fund Assets/Liabilities at March 31, 1987 were $1,696 million (1986–$1,587 million). Further details are displayed in Note 4.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF REVENUE AND EXPENDITURE

For the Year Ended March 31, 1987
(with comparative figures for the year ended March 31, 1986)

($ millions)

	1987 Budget Estimate	1987 Actual	1986 Actual
REVENUE			
Manitoba Collections			
Retail Sales Tax	$ 465	$ 463	$ 437
Fuel Taxes	176	173	164
Liquor Commission	145	142	139
Levy for Health and Education	123	127	119
Other Taxes	256	258	208
Fees and Other Revenue	172	184	167
Income Taxes			
Corporation Income Tax	146	119	127
Individual Income Tax	720	760	650
Federal Transfers			
Equalization	511	509	470
Health and Higher Education	434	418	410
Shared-Cost and Other	232	234	226
TOTAL REVENUE	$ 3,380	$ 3,387	$ 3,117
EXPENDITURE (SCHEDULE 7)			
Health and Community Services	$ 1,646	$ 1,678	$ 1,555
Education	697	696	663
Economic and Resource Development	544	523	530
Manitoba Tax Credit Plans	204	205	199
Direct Local Government Assistance	115	110	115
Public Debt	323	352	273
Hydro Rates Stabilization	36	70	34
Consumer Services, Public Protection and Other Government Services	305	312	276
TOTAL EXPENDITURE	$ 3,870	$ 3,946	$ 3,645
NET BUDGETARY REQUIREMENT (SCHEDULE 1)	$ 490	$ 559	$ 528
AMOUNTS TAKEN TO EXCESS OF LIABILITIES OVER FINANCIAL ASSETS ACCOUNT:			
NET BUDGETARY REQUIREMENT (AS ABOVE)		$ 559	$ 528
SALE OF LAND AND BUILDINGS		–	(252)
WRITE-DOWN (OFF) OF LOANS, ADVANCES AND LONG-TERM INVESTMENT (NOTE 9)		185	53
PRIOR PERIOD ADJUSTMENTS RELATED TO:			
PUBLIC SCHOOLS SUPPORT (NOTE 10)		50	–
FOREIGN CURRENCY, INVESTMENT AND DEBT TRANSACTIONS		–	189
UNFUNDED LIABILITY FOR MANITOBA DEVELOPMENT CORPORATION LOSSES (NOTE 11)		7	–
INCREASE (DECREASE) IN VALUATION ALLOWANCE (NOTE 12)		(135)	20
TOTAL INCREASE IN EXCESS OF LIABILITIES OVER FINANCIAL ASSETS		$ 666	$ 538

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF CHANGES IN FINANCIAL POSITION – OPERATING FUND

For the Year Ended March 31, 1987
(with comparative figures for the year ended March 31, 1986)

($ millions)

	1987 Budget Estimate	1987 Actual	1986 Actual
Beginning Cash and Equivalents		$ 552	$ 636
Operating Transactions:			
Net Budgetary Requirement	$ (490)	$ (559)	$ (528)
Prior Period adjustment related to:			
Public Schools Support	–	(50)	–
Unfunded Liability for Manitoba Development Corporation Losses	–	(7)	–
Non-Cash Items included in Net Budgetary Requirement and Prior Period Adjustments:			
Decrease (Increase) in Revenue Receivable	–	1	(2)
Increase in Accounts Payable, Accrued Charges and Funds Subject to Call	–	74	54
Provision for Foreign Currency Losses	57	51	16
Amortization of Debt Discount	6	7	5
Cash and Equivalents Required For Operations	$ (427)	$ (483)	$ (455)
Investing Transactions (Note 14):			
Acquired/Made	$ (763)	$ (776)	$ (839)
Redeemed/Realized	199	274	306
Cash and Equivalents Required For Investing	$ (564)	$ (502)	$ (533)
Financing Transactions (Note 14):			
Debt Issued			
Foreign	N.E.	$ 881	$ 759
Domestic	N.E.	499	525
	$ 1,437	$ 1,380	$ 1,284
Debt Redeemed			
Foreign	(71)	(71)	(258)
Domestic	(137)	(168)	(9)
Payment to (from) Provision for Foreign Currency Losses	(12)	18	(62)
Increase in Sinking Funds	(122)	(183)	(212)
	$ 1,095	$ 976	$ 743
Sale of Land and Buildings To Manitoba Properties Inc.	–	–	199
Change in Trust Funds	–	82	(38)
Cash and Equivalents Obtained From Financing	$ 1,095	$ 1,058	$ 904
Change in Cash and Equivalents During Period	$ 104	$ 73	$ (84)
Ending Cash and Equivalents		$ 625	$ 552
Represented by:			
Cash in Bank (Overdraft)		$ (50)	$ (3)
Term Bank Deposits		215	210
Government and Crown Corporation Bills and Notes		719	598
		$ 884	$ 805
Less:			
Uninvested Cash Belonging to Provincial Sinking Fund		259	253
		$ 625	$ 552

N.E. – Not Estimated

GOVERNMENT OF THE PROVINCE OF MANITOBA

SCHEDULE OF NET OPERATING REQUIREMENT

SCHEDULE 1

For the Year Ended March 31, 1987

(with comparative figures for the year ended March 31, 1986)

($ millions)

	1987 Budget Estimate	1987 Actual	1986 Actual
NET BUDGETARY REQUIREMENT as reported on the Statement of Revenue and Expenditure	$ 490	$ 559	$ 528
GROSS CAPITAL RELATED EXPENDITURE			
Health and Community Services	$ 34	$ 30	$ 26
Education	26	25	25
Economic and Resource Development	168	160	176
Direct Local Government Assistance	23	20	27
Consumer Services, Public Protection and other Government Services	15	14	23
	$ 266	$ 249	$ 277
NET OPERATING REQUIREMENT	$ 224	$ 310	$ 251

GOVERNMENT OF THE PROVINCE OF MANITOBA

REVENUE RECEIVABLE

SCHEDULE 2

As at March 31, 1987
(with comparative figures for March 31, 1986)

($ millions)

	1987	1986
Tax Revenue:		
Retail Sales Tax	$ 36	$ 34
Motive Fuel Tax	6	5
Gasoline Tax	9	9
Tobacco Tax	7	6
Revenue Act, 1964	3	3
	$ 61	$ 57
Interest Income:		
Province of Manitoba Sinking Fund	$ 21	$ 16
Other Investments	9	13
	$ 30	$ 29
Government of Canada and Other Governments:		
Shared Cost Programs	$ 45	$ 52
Other Income:		
Manitoba Telephone System	$ 1	$ –
	$ 137	$ 138

GOVERNMENT OF THE PROVINCE OF MANITOBA

LOANS AND ADVANCES

SCHEDULE 3

As At March 31, 1987

(with comparative figures for March 31, 1986)

($ millions)

	Crown Corporations, Agencies, Boards And Commissions	Other Governments	Others	1987 Total	1986 Total
When Due:					
On Demand	$ 197	$ –	$ 47	$ 244	$ 207
1–5 Years	1,118	4	17	1,139	1,014
6–10 Years	1,205	4	12	1,221	1,094
11–20 Years	222	2	8	232	311
Over 20 Years	375	–	–	375	109
Totals	$ 3,117	$ 10	$ 84	$ 3,211	$ 2,735
Less: Sinking Funds	132	–	–	132	115
	$ 2,985	$ 10	$ 84	$ 3,079	$ 2,620
Valuation Allowance	21	–	34	55	62
	$ 2,964	$ 10	$ 50	$ 3,024	$ 2,558

GOVERNMENT OF THE PROVINCE OF MANITOBA

LONG-TERM INVESTMENTS

SCHEDULE 4

As at March 31, 1987
(with comparative figures for March 31, 1986)

($ millions)

	Crown Corporations	Others	1987 Total	1986 Total
Shares:				
Common	$ 39	$ 6	$ 45	$ 41
Preferred	109	–	109	241
Debentures	4	–	4	4
	$ 152	$ 6	$ 158	$ 286
Valuation Allowance	3	–	3	131
Net	$ 149	$ 6	$ 155	$ 155

GOVERNMENT OF THE PROVINCE OF MANITOBA

ACCOUNTS PAYABLE, ACCRUED CHARGES AND FUNDS SUBJECT TO CALL

SCHEDULE 5

As at March 31, 1987
(with comparative figures for March 31, 1986)

($ millions)

	1987	1986
Accounts Payable	$ 169	$ 156
Accrued Charges Interest accrued on Provincial Borrowings and Trust Funds	157	136
Public Schools Support (Note 10)	35	–
Unfunded Liability for Manitoba Development Corporation Losses (Note 11)	7	–
Funds Subject to Call re: Shared Cost Programs	–	2
	$ 368	$ 294

GOVERNMENT OF THE PROVINCE OF MANITOBA

SCHEDULE OF LIABILITIES FOR BORROWINGS

SCHEDULE 6

As At March 31, 1987
(with comparative figures for March 31, 1986)

($ millions)

Fiscal Year of Maturity	Bonds and Debentures Cdn $	Bonds and Debentures US $	Other	Canada Pension Plan Cdn $	Govt of Canada Cdn $	Treas Bills Cdn $	Totals 1987	Totals 1986
1987	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 530
1988	226	16	14	39	4	325	624	299
1989	76	106	141	42	4	–	369	370
1990	1	285	86	45	5	–	422	422
1991	110	298	67	52	5	–	532	532
1992	40	180	151	54	5	–	430	–
1987–1992	$ 453	$ 885	$ 459	$ 232	$ 23	$ 325	$ 2,377	$ 2,153
1993–1997	$ 968	$ 759	$ 1,366	$ 366	$ 26	$ –	$ 3,485	$ 2,661
1998–2007	43	–	224	1,197	71	–	1,535	1,601
2008–2017	–	207	–	–	19	–	226	49
1993–2017	$ 1,011	$ 966	$ 1,590	$ 1,563	$ 116	$ –	$ 5,246	$ 4,311
Total Borrowings	$ 1,464	$ 1,851	$ 2,049	$ 1,795	$ 139	$ 325	$ 7,623	$ 6,464
Reduced By:								
Unamortized Debt Issue Costs	2	11	26	–	–	–	39	28
	$ 1,462	$ 1,840	$ 2,023	$ 1,795	$ 139	$ 325	$ 7,584	$ 6,436
Sinking Funds Provided	144	195	128	572	16	–	1,055	872
	$ 1,318	$ 1,645	$ 1,895	$ 1,223	$ 123	$ 325	$ 6,529	$ 5,564

GOVERNMENT OF THE PROVINCE OF MANITOBA

EXPENDITURE BY OBJECT

SCHEDULE 7

For the Year Ended March 31, 1987
(with comparative figures for the year ended March 31, 1986)

	($ millions) 1987	1986
Personnel Services	$ 552	$ 509
Grants/Transfer Payments	2,172	2,043
Transportation	11	11
Communications	18	20
Supplies and Services	235	210
Social Assistance Related	258	236
Other Operating	29	32
Capital	249	277
Public Debt	352	273
Hydro Rates Stabilization	70	34
	$ 3,946	$ 3,645

GOVERNMENT OF THE PROVINCE OF MANITOBA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1987

1. BORROWINGS

All borrowings are expressed in Canadian dollars. In the case of foreign borrowings, the par value is converted at the exchange rate in effect at the date of issue or the actual conversion rate of the proceeds. When foreign debt is revalued using the exchange rates in effect at March 31, 1987, total borrowings is increased to $8,622 million ($7,209 million for 1986) before deduction of Sinking Funds.

The weighted average rate of interest based on actual interest payments made during 1986-87 was 11.13% (11.12% for 1985-86).

2. SECURITIES RECEIVED FROM SALE OF LAND AND BUILDINGS

During 1984-85 and 1985-86 the Province sold land and buildings with an aggregate value of $917 million to Manitoba Properties Inc. (MPI). The sale was arranged through two intermediary Crown Corporations, Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. and resulted in the Province receiving common shares of these two corporations along with promissory notes of MPI and cash as the purchase consideration. The Province has allocated $341 million of the sales proceeds to a special valuation account to reflect the potential diminution of the common shares that could occur as dividends are paid to the preferred shareholders of MPI. The status of the securities and valuation account at March 31st was as follows:

	($ millions) 1987	1986
Shares of Manitoba Properties Leasing Inc.	$ 131	$ 149
Shares of Manitoba Properties Management Inc.	131	149
Promissory Notes of Manitoba Properties Inc.	181	182
	$ 443	$ 480
Less: Special Valuation Account	261	298
	$ 182	$ 182

The value of the common shares and the valuation account have each been reduced by $80 million to March 31, 1987 to reflect the dividends paid by MPI as of its most recent fiscal year-end, January 31, 1987.

If the operations of MPI were consolidated in the financial statements of the Province, these securities would not be reflected as assets because they do not represent claims against other parties. Information regarding the effects of consolidation is provided in the following note.

3. EFFECT OF CONSOLIDATION OF MANITOBA PROPERTIES INC.

The sale and subsequent lease-back of land and buildings to Manitoba Properties Inc. has resulted in ownership by the Province of securities that, if the accounts were consolidated, would no longer appear in the Financial Statements because these are not amounts owing by third parties. Consolidation would have the following effect on the Statement of Financial Position at March 31, 1987 and on the Statement of Revenue and Expenditure for the year ended March 31, 1987:

a) As indicated, Securities Received From Sale of Land and Buildings in the amount of $182 million would be eliminated.

b) Promissory notes of $17 million from Manitoba Properties Inc., shown under Loans and Advances, would be eliminated. These funds were advanced to cover administrative costs of $6 million and capital expenditures of $11 million.

c) Liabilities would be increased by $399 million to reflect the outstanding preferred shares of Manitoba Properties Inc. (with an equivalent decrease in guaranteed and indirect liabilities).

d) The aggregate of these amounts, totalling $598 million, would be an increase to the Excess of Liabilities Over Financial Assets account. This amount exceeds the total of amounts that were originally credited to the excess account at the time of sale by $22 million. This difference results primarily from capital expenditures and share issuance and administrative costs incurred by Manitoba Properties Inc.

e) The net effect on the expenditure accounts of the Government would be an increase in public debt costs of $60 million, an increase in capital expenditure of $11 million and a decrease in expenditure for other government services of $59 million. (The amounts for March 31, 1986 are an increase in public debt costs of $46 million and a decrease in expenditure for other government services of $43 million).

4. TRUST FUND

The Operating Fund financial statements show an amount owing to the Trust Fund which primarily represents surplus cash of Crown Corporations, Agencies, Boards and Commissions on deposit with the Minister of Finance for investment but not specifically invested. The assets and liabilities of the Trust Fund itself as at March 31st are as follows:

	($ millions) 1987	1986
ASSETS		
Amounts due from Operating Fund	$ 570	$ 488
Cash and Investments	586	569
Total Trust Assets	$ 1,156	$ 1,057
LIABILITIES		
Trust Fund Balances	$ 1,156	$ 1,057
Total Trust Liabilities	$ 1,156	$ 1,057

In addition, the Trust Fund includes trust funds where the Government responsibility is custodial in nature. As at March 31, 1987 and March 31, 1986 these funds are reported as $540 million and $530 million, respectively.

5. GUARANTEED AND INDIRECT LIABILITIES

Debt issued by Crown Corporations, Agencies, Boards and Commissions which is guaranteed by the Government as at March 31st are as follows:

	($ millions) 1987	1986
Self-supporting Debt	$ 1,425	$ 1,531
Debt of Crown Corporations Whose Main Source of Income is the Consolidated Fund	399	399
Debt Serviced in Whole or in Part from the Consolidated Fund	13	13
	$ 1,837	$ 1,943
LESS: Applicable Sinking and Other Related Trust Funds	273	262
	$ 1,564	$ 1,681

6. FINANCIAL COMMITMENTS

The Government has entered into long-term financial arrangements wherein indebtedness has been issued that is not guaranteed by the Government but the funds required for the payment of principal and interest will be either fully or partially provided from appropriations of the Consolidated Fund. As well, the Government has made future commitments against appropriations under long-term contracts which cover the acquisition and/or rental of physical assets. These financial commitments as at March 31st are as follows:

	($ millions) 1987	1986
LONG-TERM FINANCIAL ARRANGEMENTS:		
Hospitals & Personal Care Homes	$ 362	$ 298
Public Schools	219	213
Manitoba Housing and Renewal Corporation	231	232
Manitoba Water Services Board	2	2
Brandon University	3	3
	$ 817	$ 748
FUTURE COMMITMENTS:		
Acquisition of Physical Assets	113	102
Rental of Physical Assets	220	96
	$ 1,150	$ 946

In addition to the approved outstanding debt for Hospitals and Personal Care Homes, lines of credit up to $100 million ($126.5 million as at March 31, 1986) have been approved to finance capital projects currently in process. On completion of these projects, the borrowings will be converted to long-term debt.

7. CONTINGENT LIABILITIES

The Government has provided guarantees for the following and accordingly has a contingent liability in the event of default:

	Maximum Guarantee	Amount Outstanding March 31, 1987	Amount Outstanding March 31, 1986
		($ millions)	
Mortgages	$ 1	$ 1	$ 1
Performance Bonds	53	53	53
Promissory Notes	175	25	126
Bank Loans and Lines of Credit	13	2	18
	$ 242	$ 81	$ 198

This does not include Guarantees that may be provided by Crown Corporations, Agencies, Boards and Commissions under their own separate authority.

8. PENSION LIABILITY

The Province is required by legislation to pay 50% of the pension disbursements made to retired Provincial employees (with the exception of the share payable by Government Agencies for their employees) and to retired teachers. Such payments are charged to departmental appropriations as incurred and no provision is made to fund current or past service obligations of the Province to the Civil Service Superannuation Fund or to the Teachers' Retirement Allowances Fund. The reserves which are presently held in these Funds represent only the employees' obligation towards the total pension liability.

An actuarial valuation and report of the Government's liability to the Civil Service Superannuation Fund was determined as at December 31, 1983. The report also provided a formula to update the liability on an annual basis. In accordance with the formula adopted by the actuary, the Government's actuarial liability to the Civil Service Superannuation Fund has been calculated at approximately $315 million as at December 31, 1986 (approximately $285 million as at December 31, 1985). The liability of the Province to the Teachers' Retirement Allowances Fund has not been established by an actuarial valuation. The reserve which is held in the Teachers' Retirement Allowances Fund, representing the employees' obligation towards the total pension liability, amounted to $474 million as at December 31, 1986 ($413 million as at December 31, 1985). The Province's liability should approximate these amounts.

9. WRITE DOWN (OFF) OF LOANS, ADVANCES AND LONG-TERM INVESTMENTS

Loans, advances and investments in the aggregate of $185 million have been deemed non-recoverable by the Province and have been written-down or written-off pursuant to authority provided under the Financial Administration Act. This adjustment recognizes a reduction in the value of assets as the result of cumulative operating losses and loan forgiveness provisions in certain agreements and is considered a preliminary requirement to the implementation of a new policy for recording losses on loans, advances and investments as described under "Changes In Accounting Policy". A Valuation Allowance was previously provided at March 31, 1986 for many of the amounts now written-down (off). Details of the adjustment and the Valuation Allowance previously provided are as follows:

	($ millions) March 31, 1986	
	Amount Adjusted	Valuation Allowance
LOANS AND ADVANCES:		
Manitoba Development Corporation related to:		
Divestiture of Flyer Industries Limited	22	-
Development Agreements (Loan Forgiveness)	8	2
A. E. McKenzie Co. Ltd.	7	7
Manitoba Housing & Renewal Corporation	13	2
Other	2	2
	52	13
INVESTMENTS IN SHARE CAPITAL:		
Manfor Ltd.	128	126
Venture Manitoba Tours Ltd.	2	2
Other	3	2
	133	130
	185	143

Notwithstanding the removal of these amounts from the accounts of the Province, the right to recover these monies has not been extinguished and the Province will enforce collection or reinstatement of the balances should the prospect for recovery change.

10. PUBLIC SCHOOLS SUPPORT

An accounting policy change was made during the fiscal year in order that the Province's share of Public Schools Support costs would be recorded on an accrual basis in future years. The purpose of the change is to reflect these costs in the fiscal year in which the expenditures are being incurred by the School Divisions.

Entries were made to adjust the financial statements in preparation for the adoption of the accrual basis in the 1987-88 fiscal year. An adjustment of $50 million has been recorded at March 31, 1987 to account for the net cumulative effect of the carry forward of the year-end liability in previous fiscal years. Of this amount $15 million was paid to the Public Schools Finance Board during 1986-87 leaving an accrued liability of $35 million which is reported in the Statement of Financial Position at March 31, 1987.

11. UNFUNDED LIABILITY FOR MANITOBA DEVELOPMENT CORPORATION LOSSES

The Manitoba Development Corporation has accrued losses at March 31, 1987, related to the divestiture of Flyer Industries Limited that exceed the funding provided by the Province at that date by $7 million ($7 million as at March 31, 1986). The Province has accrued a liability of this amount to the Corporation in order to recognize the Province's responsibility to fund this amount when it becomes payable.

12. INCREASE (DECREASE) IN VALUATION ALLOWANCE

The Valuation Allowance provided for the estimated reduction in the realizable value of loans, advances and long-term investments decreased by $135 million to $58 million at March 31, 1987. The decrease is largely the result of the write-down (off) of loans, advances and long-term investments described in Note 9. If the adjustment had not occurred, the Valuation Allowance balance at March 31, 1987 would have been $243 million, an increase of $50 million from the $193 million provided at March 31, 1986. This increase is attributed to the following:

	($ millions)
Additional funding provided for the divestiture of Flyer Industries Limited	$ 22.0
Appraisal value adjustment of land held for future development by the Manitoba Housing and Renewal Corporation	11.3
Prospective loan forgiveness in Jobs Fund Development Agreement Loans	6.4
Operating deficit of Manfor Ltd. for the year ended December 31, 1986	2.3
Write-down of the value of the Province's 25% interest in the Tantalum Mining Corporation of Canada Limited	1.0
Increase in allowance for doubtful accounts provided for various Government loan programs	7.0
	$ 50.0

A change in Government accounting policy will result in the provision of an appropriation in future years to record similar non-recoverable amounts in the expenditure of the Government. This change is effective for operating losses and other non-recoverables arising during the 1987-88 fiscal year which will be recorded in the expenditure accounts for 1988-89.

13. LEGISLATIVE AUTHORITY FOR BORROWING AND EXPENDITURE

Limits established by legislation for borrowing funds and for expenditure from appropriations are shown below along with information regarding any non-compliance with these limits that may have occurred during the fiscal year.

1) BORROWING:

	($ millions) Appropriation Acts	Loan Acts
Incremental Non-Lapsing Authority Provided in 1986 Acts	$ 700	$ 1,451
Amount Used During the Fiscal Year Ended March 31, 1987	399	94
Available for Future Years	$ 301	$ 1,357
Unused Borrowing Authority From Prior Years	1	1,133
	$ 302	$ 2,490
Less: Encumbered for Specific Purposes	–	75
Unencumbered Borrowing Authority at March 31, 1987	$ 302	$ 2,415

2) **EXPENDITURE:**

A) CHANGES FROM ORIGINAL BUDGET ESTIMATE

The original budget estimate shown on the Statement of Revenue and Expenditure consists of the statutory and voted appropriations that are authorized in the Main and Supplementary Estimates. This amount was increased during the fiscal year as follows:

	($ millions)
ORIGINAL:	
Main and Supplementary Estimates (including general statutory appropriations)	$ 3,870
INCREASED BY:	
Special Warrants	94
Adjustment of estimated amount of statutory appropriations to actual expenditure	74
Total Authorized Expenditure	$ 4,038

B) NON-COMPLIANCE WITH APPROPRIATION LIMITS

One voted appropriation of the Government ended the fiscal year in a net overexpended position because the program involved processed expenditures in excess of the amounts recovered from Departments. This program provides a central service to other Government Departments and, as authorized by the Appropriation Act, incurred expenditures on behalf of Departments in anticipation of recoveries. Because the recoveries did not materialize prior to the close of the fiscal year, the following net overexpenditure was incurred (rounded to the nearest dollar):

Appropriation XIV-3 Communication Services in the Department of Culture, Heritage and Recreation	$ 36,354

In addition to the above, sixteen other appropriations of the Government had late accounts paid in the 1987-88 fiscal year that were in excess of the balance remaining in the appropriation at March 31, 1987. Because these late accounts were liabilities at March 31, 1987, they result in non-compliance with appropriation limits established for the respective programs.

14. **COMPARISON TO BUDGET ESTIMATE**

For purposes of providing a meaningful comparison of changes in the Operating Fund financial position with the budget estimate, in addition to the budget data, other internally developed management information has also been included in the budget estimate information.

15. **SUBSEQUENT EVENTS**

A. ENERGY RATE STABILIZATION ACT AMENDMENT

In the Budget Address of March 16, 1987 the Minister of Finance announced the amendments to the Energy Rate Stabilization Act, effective April 1, 1987 that will result in the following changes:

i) NEW LONG-TERM DEBT

Manitoba Hydro will assume responsibility for the translation gains or losses associated with all foreign borrowings transacted on or after April 1, 1987.

ii) EXISTING LONG-TERM DEBT

a) In foreign currencies other than United States Dollars:
The Province will retain responsibility for the translation of gains or losses associated with existing foreign debt denominated in currencies other than United States Dollars.

b) In United States Dollars:
Effective April 1, 1987, the foreign exchange risks associated with holding United States dollar denominated debt were transferred by the Province of Manitoba to Manitoba Hydro. Consequently the latter will assume responsibility for the translation gains or losses associated with this debt. The Province retains the obligation to pay only the amounts that have been provided in the Province's accounts in respect of this debt to March 31, 1987. This obligation amounts to approximately $159 million and will be disbursed at the maturity dates of the respective debt issues.

GOVERNMENT OF THE PROVINCE OF MANITOBA

ACCOUNTING POLICIES–STATEMENT AND APPLICATION

STATEMENT OF ACCOUNTING POLICIES

The basic accounting policies followed by the Government of Manitoba, which have been applied in the preparation of these Financial Statements are summarized below. These policies have been developed and are applied in accord with the provisions of the Financial Administration Act, which is Chapter F55 of The Continuing Consolidation of The Statutes of Manitoba. Further information regarding their application to the financial transactions of the Government is provided in the section entitled "Application of Accounting Policies".

I. THE ACCOUNTING ENTITY

The financial transactions of the Government are recorded in "The Consolidated Fund". The activities of The Consolidated Fund are divided into the "Operating Fund", which records the operational activities of the Government, and the "Trust Fund", which records the trust administration function.

Financial statements prepared for the "Operating Fund" report amounts received as Government revenue, expenditure on Government programs, the lending and investment of Government funds and the borrowing and repayment of debt. Financial statements prepared for the "Trust Fund" report the activities in the various categories of trust money administered by the Government.

The financial operations of the provincial Crown Corporations, Agencies, Boards and Commissions are reflected in The Consolidated Fund to the extent that:

1) They receive money from or pay money to the Government.
2) Any deficits they incur are adjusted against the amounts loaned, advanced or invested in them by the Government.

II. BASIS OF ACCOUNTING FOR REVENUE AND EXPENDITURE

A REVENUE

i) Revenue is ordinarily recorded on a cash basis, with the exception of provincially collected tax revenue, income from investments and advances, shared-cost receipts and Canada-Manitoba Fiscal Arrangements. Accordingly, all money received by Departments on or before March 31 is included in the revenue for the fiscal year, provided that it is deposited with the Minister of Finance prior to the thirtieth day of April, immediately following.

ii) Provincially collected taxes received by the Government in April with respect to collections made by Agents during March are recorded as revenue for the fiscal year just ended.

iii) Income from investments and interest on advances are recorded on an accrual basis. In the case of the provincial sinking funds, any discount or premium arising on purchase is amortized over the period to maturity.

iv) Money received pursuant to shared-cost agreements and arrangements that extend over more than one fiscal year is recorded as revenue in each fiscal year in proportion to the related expenditure made in the respective year.

v) Revenue and expenditure are recorded in gross amounts (referred to as the Gross Accounting Concept) with the exception of the Municipal Share of Individual and Corporation Income Taxes, which is paid to Municipalities in accordance with the Provincial-Municipal Tax Sharing Act and is not recorded as revenue by the Government.

vi) Recoveries from Crown Corporations and Government Agencies of the debt servicing costs on self-supporting debt are recorded as a reduction of Public Debt expenditure. The same treatment is also given to income earned on investments and interest on advances.

B EXPENDITURE

Expenditure is recorded on a cash basis, modified to allow an additional forty-five days after the end of the fiscal year for the processing of payments pertaining to that fiscal year. Salaries and wages, however, are charged to the fiscal year in which they are paid.

An accrual is made to March 31st for interest payable on bonds, debentures and other long-term debt and on trust funds invested with the Minister of Finance. An annual provision is made for unrealized losses (gains) on long-term debt that is payable in foreign currencies so that this cost is amortized over the life of the debt issue. Any discount, premium or commission incurred on the issue of the debt is also amortized over the life of the issue.

III. ASSETS AND LIABILITIES

1. The assets and liabilities reported in the financial statements are financial claims consisting of assets which are claims by the Government on other parties and liabilities which are claims by other parties on the Government.
2. Expenditure for the acquisition and/or construction of physical assets together with inventories and other deferred expenditures is not considered to differ from any other service to the public and accordingly is treated as an expenditure of the year in which the expenditure is made. Since such expenditure does not represent financial claims on others, it is not reported as an asset at fiscal year end. This does not negate the fact that the Government has substantial holdings of physical assets such as buildings, highways, education and health facilities, which may tend to appreciate in value over time.
3. Loans, advances and long-term investments held by the Government are subject to annual revaluation. A Valuation Allowance is provided and is adjusted annually to reflect the estimated change in value of these assets.

4. Bonds, debentures and other long-term debt are recorded as liabilities at the par value of such securities. Any discount, premium or commission incurred at the time of issue of the debt is amortized over the life of the debt issue. For foreign issues, the par value is converted to Canadian Funds at the exchange rate in effect at the date of issue, or the actual conversion rate of the proceeds. Sinking funds are maintained in accordance with the legal requirements of the debt instruments and the Financial Administration Act.

IV. GUARANTEED AND INDIRECT LIABILITIES

In addition to having direct debt, the Government also acts as a guarantor of securities issued by various other entities. The debt guaranteed pertaining to Crown Corporations, Agencies, Boards and Commissions is largely self-supporting. Other guaranteed debt for schools, universities and hospitals is serviced in whole or in part from appropriations of the Consolidated Fund. Legislation requires the maintenance of Sinking Funds for the retirement of the debt of most Crown Corporations, Agencies, Boards and Commissions. These Sinking Funds are maintained by the Minister of Finance through annual contributions from the Crown Corporation, Agency, Board or Commission to whom the debt applies and are held in the Trust Fund.

Other Contingent Liabilities that result from other financial activities of the Government are also reported annually in the Public Accounts.

APPLICATION OF ACCOUNTING POLICIES

The following outlines the application of these accounting policies to the financial transactions of the Government:

I. REVENUE

The revenue of the fiscal year is generally the amount received during the fiscal year. Exceptions are made for provincially collected taxes, shared-cost receipts, income from investments, and revenue from the Government of Canada, which are subject to the following additional practices:

a) Provincially collected taxes received by the Government in April with respect to collections made by Agents during March are recorded as revenue for the fiscal year just ended. These amounts are recorded as an account receivable from these Agents as at March 31.

b) A revenue receivable is recorded at March 31st for the interest accrued to that date on the temporary investments of the Operating Fund, on investments owned by the Province of Manitoba Sinking Fund and on advances to Crown Corporations, Agencies, Boards and Commissions. This amount is shown as a revenue receivable even though the income from investments is treated as a reduction in the Public Debt appropriation. The discount (premium) incurred at the time of purchase of the sinking fund investments is also recognized annually in the accounts. The discount (premium) is amortized over the term of the investment with a proportionate increase (decrease) in the book value of the investment.

c) Where, pursuant to an agreement or arrangement, money is received in advance relating to projects for which expenditure is to be made in more than one fiscal year, the money is deemed to have been received in each fiscal year in proportion to the related expenditure made in the respective fiscal year.

d) It is the practice to show the uncollected balance of claims related to shared-cost agreements with the Government of Canada as an account receivable at March 31. This accrual is made in order that the revenue from this source is recorded in proportion to the related expenditure incurred in the fiscal year.

e) The accounts are kept open until June 30 to reflect any adjustments regarding revenue from the Government of Canada under the Canada-Manitoba Fiscal Arrangements that the Government of Manitoba may become aware of before that date. Since this is a major source of Government revenue, this practice is considered necessary to show the financial condition of the Government in the most accurate manner possible.

II. EXPENDITURE

Expenditure of the fiscal year is essentially payments made from appropriations during the fiscal year and for a subsequent forty-five day period after March 31. The accounts remain open during this period to allow processing time for expenditure pertaining to the fiscal year just ended.

The following additional practices are applicable when recording the public debt costs of the Province:

1. An accrual is made to March 31st for the interest payable on bonds, debentures and other long-term debt and on trust funds invested with the Minister of Finance. In the case of foreign issues, the accrual is based on the exchange rate that was recorded at the time of debt issue. There is no provision made for the fluctuation of foreign currencies between the debt issue dates and the interest payment dates.
2. An annual provision is made for the unrealized losses (gains) that will occur at maturity on long-term debt that is payable in foreign currencies because of fluctuations in currency values over the life of the issue.
3. Any discount, premium or commission incurred on the issue of long term debt is amortized over the life of the respective debt issue.

The Valuation Allowance is not charged to an appropriation. This amount, which represents an estimate of the change in recoverable value of loans and advances and long-term investments during the fiscal year is reported as a separate item on the Statement of Revenue and Expenditure but is not included in the "Net Budgetary Requirement". When a legal realization of the loss occurs, the final write off of the loan, advance or investment will also be disclosed after the operating results on the Statement of Revenue and Expenditure. This Policy is undergoing revision as explained in paragraph a) under "Changes in Accounting Policies".

Payments made by the Government for capital purposes are classified in a separate category of expenditure called "Expenditures Related to Capital" and are defined as follows:

a) Expenditures for property of all kinds, both real property and chattels, purchased or self-constructed for use by Government that are deemed to have an economic life in excess of one year.

b) Expenditures for projects or activities which entail major renewals, modification or modernization by own labour forces on behalf of the Government. The expenditures should significantly prolong the expected economic life of the asset.

c) The principal portion of a debt repayment when the debt was incurred to acquire a physical asset and the acquisition cost of the physical asset was not previously reflected in the Consolidated Fund as an expenditure.

d) Grants or assistance payments to municipalities, school divisions, external agencies, commercial organizations and private individuals which are known to be for the purchase, construction or improvement of physical assets.

III. ASSETS AND LIABILITIES

The Statement of Financial Position — Operating Fund is prepared in accordance with the following practices:

1. **CASH AND EQUIVALENTS**
This classification is comprised of the temporary investments of the Province which are reduced by the net overdraft in the Province's bank accounts. It is further reduced by the amount of uninvested cash belonging to the Provincial Sinking Fund. This cash is designated as part of the Provincial Sinking Fund and will be made available for long-term investment when required. Temporary investments are securities held as a result of the investment of the Government's cash flow and are generally comprised of money market instruments such as term deposits and negotiable securities which are intended to be held for a short term. All investments are shown at cost. The net bank overdraft has been adjusted for cheques issued prior to and not presented for payment at March 31st and for cash in transit.

2. **REVENUE RECEIVABLE**
Amounts accrued at March 31st for provincially collected tax revenues, interest on investments and advances and the uncollected balance of claims related to shared-cost agreements with the Government of Canada are shown here.

3. **LOANS AND ADVANCES**
Advances to Crown Corporations, Agencies, Boards and Commissions, which are generally interest bearing, are shown under this heading.

The Sinking Funds provided by Crown Corporations, Agencies, Boards and Commissions for repayment of the debt issued to fund advances to these entities are deducted from the advances.

Certain of the Crown Corporations are charged with a responsibility for administering Government programs for which they receive funds from Government appropriations. These funds are applied by the Corporation towards the program administration cost, including, in some cases, a portion of the interest they are charged on these advances. The principal repayment and/or interest charges for certain of the advances are dependent on total or partial funding from future appropriations of the Operating Fund.

Loans and advances to Municipal Corporations or others under various Government programs are included here. Certain of these amounts may be interest bearing depending on the nature of the program.

All loans and advances are recorded at cost and are subject to annual valuation to reflect reductions from their recorded value to their estimated realizable value.

4. **LONG-TERM INVESTMENTS**
The majority of the Province's long-term investments consist of shares and debentures of Crown Corporations. These investments are carried at cost which does not reflect the realizable value of the investments. Any decrease in the estimated realizable value is provided for in the valuation allowance, which is described in the next paragraph.

5. **VALUATION ALLOWANCE**
An allowance is provided for decreases in the value of loans, advances and long-term investments and is adjusted annually for changes that may occur in the estimated realizable value of these assets. The allowance is determined as follows:

a) ACCUMULATED DEFICITS OF CROWN CORPORATIONS, AGENCIES, BOARDS AND COMMISSIONS
The allowance is used to provide for the accumulated deficits of the Crown Corporations, Agencies, Boards and Commissions in which the Government has invested money by way of loans, advances or purchase of shares. The valuation is based on the audited financial statements applicable to the fiscal year that is closest to March 31st. If the Government has more than one type of investment in an organization (eg. common shares, preferred shares and debentures), the accumulated deficit is assigned against the investments in order of priority on liquidation.

Losses covered by the allowance are reviewed to ascertain the prospect for recovery of the loss from the future operations of the entity involved. Losses incurred in a fiscal year that are considered non-recoverable are incorporated in the Government's Estimate of Expenditure in the immediate following fiscal year.

The loan, advance or investment is written-down (off) in the accounts of the Government, pursuant to authority provided under the

Financial Administration Act, and the amount written-down (off) is recorded in an appropriation provided for that purpose. Notwithstanding the foregoing procedure, the Province does not extinguish its right to enforce collection or reinstatement of the amounts written-down (off) should the prospect for recovery improve and will report these amounts as a "contingent recoverable".

b) ALLOWANCE FOR DOUBTFUL ACCOUNTS
The allowance is used to provide for the estimated amount not recoverable under a Government loan or support program. The allowance for doubtful accounts that has been established for that program is recorded by means of a valuation allowance placed against the loan or advance used to fund the program. The increase in the allowance recorded at the end of the fiscal year is incorporated in the Government's Estimate of Expenditure in the immediate following fiscal year. Increases are recorded in the appropriation(s) provided regardless of the timing of the write-off of the uncollectible accounts. Write-offs are made directly against the valuation allowance.

6. **AMOUNT OWING TO THE TRUST FUND**
A large portion of this money has been deposited with the Minister of Finance in accordance with the terms of the legislation regulating the management of sinking funds and surplus cash of Crown Corporations, Agencies, Boards and Commissions, but is not specifically invested. Such deposits are accorded a market rate of interest.

7. **ACCOUNTS PAYABLE, ACCRUED CHARGES AND FUNDS SUBJECT TO CALL**
Cheques issued during the forty-five day period after March 31, in payment for goods and services pertaining to the fiscal year just ended are shown as accounts payable rather than as outstanding cheques.

Accrued charges represent the accrual of interest on provincial securities and on Trust Funds, an accrual of the Province's share of Public Schools Support costs unpaid at March 31st and the recording of a liability to the Manitoba Development Corporation for losses accrued by the Corporation related to the divestiture of Flyer Industries Limited.

Funds subject to call consist of money received from the Government of Canada under shared-cost programs that will not be taken into revenue until earned.

8. **BORROWINGS**
This category includes bonds, debentures, secured loans from the Government of Canada, treasury bills and notes. Securities issued in Canadian funds are recorded at par value. Securities issued in foreign funds are recorded at the Canadian Dollar equivalent of the par value based on the actual conversion of the proceeds or at the exchange rate in effect at the date of issue if conversion does not take place at issue date. Securities payable in foreign funds issued for the purpose of refunding other issues payable in the same currency are recorded at the Canadian Dollar equivalent of the par value at the date of issue.

The Government is required, by legislation, to determine the Canadian Dollar equivalent of provincial securities issued in foreign currencies or units of monetary value at March 31st of each year. The amount determined must be published in the Public Accounts as information regarding the current valuation of this foreign debt. An annual provision is made for these unrealized losses (gains) as described in paragraph 9 below.

Borrowings are reduced by the unamortized balance of the discount, premium or commission incurred on the issue of long-term debt which will be amortized over the remaining term of the debt issues for which these costs were incurred.

Borrowings are also reduced by Sinking Funds which are maintained in accordance with the legal requirements of the debt instruments and the Financial Adminstration Act. Money is allocated annually to these Sinking Funds on the following basis:

a) A sum equal to 3% of the aggregate amount of general purpose debt, in Canadian Dollars, outstanding at the end of the preceding fiscal year; and

b) All earnings derived from investing the sinking fund.

In addition principal repayments of advances which are funded by the issue of provincial securities are deposited to the Sinking Fund provided that the principal repayments are made prior to the maturity date of such securities.

The total shown for sinking funds also includes sinking fund money provided by Crown Corporations, Agencies, Boards and Commissions in respect to debt incurred on their behalf by the Government.

9. **PROVISION FOR UNREALIZED FOREIGN CURRENCY LOSSES**
An annual provision is made for the estimated losses (gains) that could occur at maturity on long-term debt that is payable in foreign currencies because of fluctuations in currency values between the debt issue dates and maturity dates. Each fiscal year-end the foreign debt is revalued using the average of the exchange rates that were in effect during the fiscal year just ended and during the preceding two years. The provision is calculated by amortizing the currency fluctuation over the remaining term of the debt. Where an issue of debt is called prior to maturity and replaced with an issue payable in the same currency of the same maturity and par value, for the purposes of this amortization policy, the new issue is deemed to be the same as the original issue.

When the debt matures, the actual loss (gain) is adjusted against the cumulative provision for that specific debt issue. Any difference between the actual amount and the amount provided is charged (credited) to the Public Debt appropriation.

10. **EXCESS OF LIABILITIES OVER FINANCIAL ASSETS AND OTHER OBLIGATIONS HELD BY THE PROVINCE CONSIDERED TO BE SIMILAR IN NATURE:**

a) SERIAL DEBENTURES OF SCHOOL DIVISIONS AND DISTRICTS, TRANSFERRED FROM THE MANITOBA SCHOOL CAPITAL FINANCING AUTHORITY

The School Capital Financing Authority Act was repealed April 1, 1983 at which date all investments and money held by the Authority, as well as debt payable by the Authority, was assumed by the Government. The investments transferred to the Government consist of serial debentures issued by school divisions and districts for which the Government is primarily responsible for repayment. These securities are therefore included in this category because they do not represent a claim on other parties.

The budget estimate of expenditure provides an annual appropriation in the Consolidated Fund to cover the principal and interest costs of these debentures. The cash drawn from this appropriation for the required annual principal repayments is transferred to the Province's sinking fund where it will be used for repayment at maturity of the debt assumed from the Authority. A similar treatment would be accorded any proceeds from the sale of the school debentures.

b) SECURITIES RECEIVED FROM THE SALE OF LAND AND BUILDINGS TO MANITOBA PROPERTIES INC.

Land and buildings, having an aggregate value of $917 million, were sold to Manitoba Properties Inc. under various sales agreements during 1984–85 and 1985–86. In addition to cash, the purchase consideration received from the sale consisted of common shares of Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. and promissory notes from Manitoba Properties Inc.

The recorded value of the common shares has been reduced by a special valuation account which was established from a portion of the sale proceeds and is used to reflect the potential diminution in value of these shares as the result of dividends paid to preferred shareholders of Manitoba Properties Inc. on an annual basis. Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. jointly own all the common shares of Manitoba Properties Inc. and the value of their equity in these shares could decrease annually with the payment of dividends by the latter to preferred shareholders.

Interest payable to the Province on the promissory notes is funded from annual rental payments made by the Province to Manitoba Properties Inc. and is therefore dependent on future appropriations of the Consolidated Fund. These securities are therefore included under this category because they do not represent a claim on other parties.

c) EXCESS OF LIABILITIES OVER FINANCIAL ASSETS

This account and the two accounts previously described represent the difference between liabilities, which are financial claims owing by the Government, and financial assets, which are financial claims receivable by the Government. Since the physical assets and materials inventories of the Government do not constitute a financial claim receivable by the Government, they are not considered in the determination of this balance.

IV. CHANGES IN ACCOUNTING POLICY

Section 10 of the Financial Administration Act requires a statement of any change in the accounting policies of the Government from those followed in the preceding fiscal year. The changes for the fiscal year ended March 31, 1987 were as follows:

a) A change in the Government's policy related to the Valuation Allowance was initiated in 1986–87 and will require changes until 1988–89 before the conversion to the new policy is completed. While the Valuation Allowance will be determined in the same manner as it has in the past, those losses covered by the allowance which are considered to be non-recoverable will be incorporated into the Government's Estimate of Expenditure in the immediate following fiscal year. This change will commence with losses incurred in the 1987–88 fiscal year which will be covered by an appropriation provided in the 1988–89 fiscal year.

In order to initiate this policy, a transitional adjustment of $185 million was made through the Excess of Liabilities over Financial Assets account at March 31, 1987. The purpose of the adjustment is to write-down (off) the value of loans, advances and share equity investments provided to March 31, 1987 in recognition of losses accumulated to that date. A related accrual of $7 million to the Manitoba Development Corporation was also made to record a liability to that Corporation for losses that had not been funded by the Province at March 31, 1987.

b) Funding for Public Schools Support is in the process of being changed from the cash to the full accrual basis, commencing with the 1987–88 fiscal year. In order to accommodate the transition from the cash basis, an adjustment of $50 million was made through the Excess of Liabilities Over Financial Assets Account and an accrued liability to school divisions of $35 million was recorded at March 31, 1987. Authority to pay the accrued liability will be provided in the 1987–88 fiscal year.

V. ENTRIES MADE SUBSEQUENT TO JUNE 30, 1987

Section 8.1(2) of the Financial Administration Act requires disclosure of entries made after June 30th respecting transactions of the preceding fiscal year. Accordingly, the following are reported:

a) WRITE-OFF OF LOANS, ADVANCES AND LONG-TERM INVESTMENTS
Authorization for the write-down (off) of $185 million of loans, advances and long-term investments was provided by order-in-council 1363/87, approved on December 2, 1987, with retroactive effect to March 31, 1987. The entries giving effect to this order-in-council, as well as a related entry recording the unfunded liability to the Manitoba Development Corporation, were made at the approximate date of the order. Because of the timing of these adjustments, disclosure of these changes has not been made in the applicable financial statements of the Crown Corporations, Agencies, Boards and Commissions affected by the adjustment.

b) PUBLIC SCHOOLS SUPPORT
Entries affecting 1986-87, to allow for the transition from the cash to the accrual basis of accounting in 1987-88, were made in November, 1987.

SECTION 2

DETAILS OF OPERATING FUND

ASSETS AND LIABILITIES

AS AT MARCH 31, 1987

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GOVERNMENT OF THE PROVINCE OF MANITOBA
CASH AND EQUIVALENTS
As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
TEMPORARY INVESTMENTS		
TERM BANK DEPOSITS – AT COST		
Bank of Montreal	$ 24,657,050	$ 68,180,000
Bank of Nova Scotia	16,391,702	32,877,145
Barclay's Bank of Canada	–	973,380
Canadian Imperial Bank of Commerce	56,741,490	60,000,000
Citibank Canada	5,895,840	–
Credit Suisse Canada	–	2,236,980
National Bank of Canada	5,000,000	–
Northland Bank	–	3,915,457
Royal Bank of Canada	45,459,747	22,754,116
Toronto Dominion Bank	60,771,320	19,296,550
	$ 214,917,149	$ 210,233,628
OTHER INVESTMENTS – AT COST		
Export Development Corp. Promissory Notes	$ –	$ 9,732,000
Farm Credit Corp. Promissory Notes	9,816,550	10,814,414
Federal Business Development Bank Promissory Notes	–	14,634,600
Government of Canada Treasury Bills	503,507,832	334,952,356
Manitoba Telephone System Promissory Notes	–	30,614,556
Newfoundland and Labrador Hydro Promissory Notes	–	4,874,250
Province of Alberta Promissory Notes	9,713,850	–
Province of Alberta Treasury Bills	4,904,350	–
Province of British Columbia Promissory Notes	33,022,498	7,721,416
Province of British Columbia Treasury Bills	2,454,100	22,552,981
Province of Manitoba Treasury Bills	58,891,550	64,591,570
Province of Newfoundland Treasury Bills	1,178,616	–
Province of Ontario Treasury Bills	18,117,005	20,476,920
Province of Quebec Treasury Bills	11,505,364	–
Province of Saskatchewan Promissory Notes	14,655,650	37,473,060
Province of Saskatchewan Treasury Bills	12,314,069	–
Public Schools Finance Board Notes	38,582,200	39,045,000
Other	55,731	61,431
TOTAL TEMPORARY INVESTMENTS	$ 718,719,365	$ 597,544,554
	$ 933,636,514	$ 807,778,182
BANK BALANCE		
Outstanding Deposits (Net of Outstanding Cheques and Other Adjustments) (Note 1)	$ 40,118,254	$ 13,882,484
Overdraft in Government Bank Accounts	27,448,383	16,387,188
Bank balance (overdraft) as per records	$ 12,669,871	$ (2,504,704)
Promissory Notes	(62,287,200)	–
Bank borrowing (Note 2)	$ (49,617,329)	$ (2,504,704)
	$ 884,019,185	$ 805,273,478
Less: Due to Provincial Sinking Funds Re: Uninvested Cash (Note 3)	258,575,257	253,275,568
	$ 625,443,928	$ 551,997,910

NOTE 1: Cheques issued subsequent to March 31, 1987 in settlement of accounts payable for goods received and services rendered prior to that date are presented as accounts payable rather than outstanding cheques.

NOTE 2: Order–in–Council 1138/82 authorizes the Minister of Finance to borrow money by the sale of promissory notes or by bank line of credit up to an aggregate amount not exceeding $350,000,000 at any one time.

NOTE 3: This amount represents uninvested Sinking Fund cash on deposit in the Government Bank Accounts and is thereby an amount that is owing to the Sinking Fund. For further information, please refer to the schedule of Sinking Funds Provided.

GOVERNMENT OF THE PROVINCE OF MANITOBA

REVENUE RECEIVABLE

As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
TAXATION REVENUE		
Retail Sales Tax	$ 35,732,968	$ 34,554,225
Motive Fuel Tax	6,207,007	4,925,499
Gasoline Tax	9,120,890	8,628,195
Tobacco Tax	6,801,168	6,074,592
Revenue Act, 1964 Part 1	3,309,427	3,376,159
	$ 61,171,460	$ 57,558,670
GOVERNMENT OF CANADA AND OTHER GOVERNMENTS RE:		
Shared Cost Programs/Agreements		
Airport Operation and Maintenance	$ 12,667	$ 34,240
ARC Agreement	–	21,254
Beaver Nuisance Control Program	1,053	17,453
Bilingualism	984,652	1,509,400
Canada Assistance Plan	15,903,600	18,967,227
Canada Industrial Development Agreement	646,786	760,005
Canada Job Strategy	305,565	–
Canada Manpower Training Program	5,597,500	2,933,281
Canada Student Loan Act	175,810	146,900
Citizenship and Language Instruction	1,005,033	783,397
Citizenship Textbooks	170,230	93,313
Communications and Culture Enterprises	28,058	9,521
Conservation and Alternative Energy	749	–
Court Communicators	22,380	–
Crane River School	57,496	115,404
Criminal Injuries Compensation	107,123	106,960
Economic Development Planning	11,294	16,297
Emergency Disaster	1,432,229	303,569
Enerdemo Canada Program	28,526	244,760
Federal/Provincial 4-H Program	11,815	12,773
Federal/Provincial Agriculture Manpower Agreement	–	26,827
Federal/Provincial Feed Security Program	–	130,633
Flood Damage Reduction	80,366	24,827
Forest Renewal Agreement	174,587	183,469
Fur Trapper Services	–	336
French Language	500,000	–
Gun Control	132,457	101,624
Health and Welfare	–	35,475
Hillridge School	–	29,498
Job Access for Young Adults	186,903	157,889
Joint Emergency Planning Program	122,808	305,230
Legal Aid	674,158	181,979
Limestone Employment and Training	–	3,900,000
Manitoba Crop Insurance	2,456,227	1,508,139
Migratory Waterfowl Program	730,446	744,184
No Fault Compensation Study	–	1,666
Northern Flood	5,622	4,999
Northern Manitoba Mercury Agreement	–	40,545
Rabies Indemnity Program	1,800	–
Refunds for Services	1,299	9,043
Residential Rehabilitation Assistance Program	–	37,095
Skills Growth Fund	–	540,907
Social Allowance Treaty Indians	1,565,078	4,280,024
Special ARDA	5,368	252,865
Carried Forward	$ 33,139,685	$ 38,573,008

	March 31, 1987	March 31, 1986
Brought Forward	$ 33,139,685	$ 38,573,008
Toronto Royal Freight	–	23,676
Tourism'85	138,055	117,048
Tourism Agreement	130,939	1,021,917
Transportation Agreement	120,866	500,003
Transportation – Clearwater Lake Base	4,800	4,746
Upgrading Ring Dykes	86,631	119,895
Value Added Crop Production	–	111,532
Victim Impact Worker	25,747	–
Video Child Victim	7,748	–
Vocational Rehabilitation of Disabled Persons	2,788,797	2,568,042
Wanipigow School	176,487	213,487
Ward Maintenance Treaty Indians	1,900,000	433,439
Water Development and Drought Proofing	–	17,507
Winnipeg Inner Core Area Agreement	1,574,679	1,668,110
Winter Roads	429,580	1,145,069
Working Together	149,895	68,250
Young Offenders Act	4,390,853	5,542,958
Young Offenders Act Study System	22,040	–
	$ 45,086,802	$ 52,128,687
INTEREST INCOME		
Province of Manitoba Sinking Fund	$ 20,392,235	$ 15,859,433
Other Investments	9,153,360	12,418,947
	$ 29,545,595	$ 28,278,380
OTHER INCOME:		
Manitoba Telephone System	$ 705,000	$ –
	$ 136,508,857	$ 137,965,737

GOVERNMENT OF THE PROVINCE OF MANITOBA

LOANS AND ADVANCES

As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
CROWN CORPORATIONS, AGENCIES, BOARDS AND COMMISSIONS		
Manitoba Hydro–Electric Board	$ 1,986,274,802	$ 1,706,088,567
Manitoba Telephone System	527,243,739	398,265,898
Manitoba Water Services Board	17,394,246	16,697,331
Manitoba Agricultural Credit Corporation	244,703,258	226,751,303
Manitoba Agricultural Credit Corporation re: The Fisheries Act	4,800,000	3,700,000
Manitoba Development Corporation	24,558,053	29,426,628
Manitoba Housing and Renewal Corporation	273,936,668	228,309,806
Manitoba Trading Corporation	500,000	500,000
Manitoba Text Book Bureau	4,000,000	4,000,000
Manitoba Crop Insurance Corporation	2,000,000	660,000
Manitoba Data Services	1,662,320	5,094,531
Manitoba Energy Authority	1,713,095	1,775,000
Manitoba Properties Inc.	17,325,000	4,875,000
Manitoba Hazardous Waste Management	60,355	–
Co–operative Loans and Loans Guarantee Board	26,100	42,427
The Liquor Control Commission	4,500,000	4,500,000
Venture Manitoba Tours Ltd	–	2,000,000
	$ 3,110,697,636	$ 2,632,686,491
Less: Sinking Funds Provided for Repayment of Applicable Debt (Note 1)		
Manitoba Hydro–Electric Board	$ 110,951,109	$ 94,400,829
Manitoba Telephone System	13,960,487	14,649,402
Manitoba Housing and Renewal Corporation	6,851,351	5,776,621
	$ 131,762,947	$ 114,826,852
Net Advances After Deduction of Sinking Funds	$ 2,978,934,689	$ 2,517,859,639
Conditional Grant Payments (Note 2)		
Communities Economic Development Fund	$ 6,022,221	$ 4,615,221
Total Crown Corporations, Agencies, Boards and Commissions	$ 2,984,956,910	$ 2,522,474,860
OTHER GOVERNMENTS		
Municipal Works Assistance Act	$ 3,025,150	$ 3,730,459
Agricultural Service Centres Agreement	5,975,837	6,239,345
City of Brandon – Special Agreement	573,346	641,092
Local Government District of Churchill	300,000	300,000
Special Municipal Loan Program	344,962	403,270
	$ 10,219,295	$ 11,314,166
OTHER		
Manitoba Beef Stabilization Fund	$ 33,500,000	$ 29,000,000
Manitoba Crop Reinsurance Account	5,374,318	4,000,000
Manitoba Hog Producers' Marketing Board	–	7,600,000
University of Manitoba	5,905,196	4,268,735
St. Boniface Sanatorium re St Amant Ward	1,044,558	1,394,528
Churchill Hydro Line Extension	7,622,395	10,022,536
Sherritt Gordon Mines Ltd. re Fox Mine Agreement	712,326	824,753
Insulation Loan Program	15,280,029	15,992,348
Energy Conservation Loan Program	91,350	–
Emergency Interest Rate Relief Program	6,325,798	7,305,919
Carried Forward	$ 75,855,970	$ 80,408,819

	March 31, 1987	March 31, 1986
Brought Forward	$ 75,855,970	$ 80,408,819
Venture Capital Program	5,501,780	3,744,480
Manitoba Fire College	511,210	728,359
Manitoba Potash Corporation	650,000	–
Advances to Employees and Others re Travel and Other Expenses	558,251	627,215
Manitoba Horseracing Commission	180,000	–
Winnipeg Bible College	–	150,000
Film Support Program	682,678	211,495
Employment Co–op Program	62,384	62,400
Community Residences	–	17,755
Sundry	105,118	61,768
	$ 84,107,391	$ 86,012,291
	$ 3,079,283,596	$ 2,619,801,317

NOTE 1: These Sinking Funds are provided by Crown Corporations, Agencies, Boards and Commissions for repayment of the debt issued to fund advances to these entities.

NOTE 2: This Grant has the following condition attached to it:
The Communities Economic Development Fund must use the funds provided for the purpose of operating a revolving fund for direct loans. If at any time the revolving fund should cease to operate, the residue of the revolving fund shall be paid over to the Government of Manitoba.

GOVERNMENT OF THE PROVINCE OF MANITOBA

LONG TERM INVESTMENTS

As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
SHARES AND DEBENTURES OF CROWN CORPORATONS AT COST (NOTE 1)		
Common Shares		
Shares of Manfor Ltd.		
20,000,000 common shares	$ 20,000,000	$ 20,000,000
Shares of Manitoba Mineral Resources Ltd.,		
740,000 common shares	7,400,000	7,400,000
Shares of Manitoba Oil and Gas Corporation		
100,000 common shares	10,000,000	10,000,000
Shares of Manitoba Properties Leasing Inc.		
2,000 common shares	19,990	19,990
Shares of Manitoba Properties Management Inc.		
2,000 common shares	19,990	19,990
Shares of A.E. McKenzie Co. Ltd.		
1,145 common shares	114,500	114,500
Shares of Channel Area Loggers Ltd.		
30,000 common shares	300,000	300,000
Shares of Moose Lake Loggers Ltd.		
30,000 common shares	300,000	300,000
Shares of Venture Manitoba Tours Ltd.		
3,643,500 common shares	1,370,718	1
Shares of Leaf Rapids Town Properties Ltd.		
100 common shares	100	100
Shares of Manitoba Development Corporation		
500,000 common shares	1	1
Shares of Manitoba ARC Authority		
1 common share	1	1
Shares of North Portage Development Corporation		
1 common share	1	1
	$ 39,525,301	$ 38,154,584
Preferred Shares		
Shares of Manfor Ltd.		
197,120,809, 7% dividend, non-cumulative, non participating, non voting redeemable preferred shares	$ 68,617,809	$ 200,123,028
38,519,000, 11% redeemable, retractable, non voting, non participating, cumulative preferred shares	38,519,000	38,519,000
Shares of Leaf Rapids Town Properties Ltd.		
26,210, 8.15% dividend, non cumulative redeemable, preferred shares	2,025,801	2,621,000
	$ 109,162,610	$ 241,263,028
Debentures		
Leaf Rapids Town Properties Ltd.	$ 3,764,173	$ 3,950,262
Total Shares and Debentures of Crown Corporations	$ 152,452,084	$ 283,367,874

	March 31, 1987	March 31, 1986
OTHER INVESTMENTS AT COST		
Common Shares		
Shares of Manitoba Potash Corporation		
490,000 common shares	$ 5,000,000	$ –
Shares of Tantalum Mining Corporation of Canada Limited		
250,000 common shares	717,000	3,261,825
Shares of Inter Provincial Lottery Corp		
1 common share	1	–
	$ 5,717,001	$ 3,261,825
Total Long Term Investments	$ 158,169,085	$ 286,629,699

NOTE 1: Only the fixed interest debentures of Leaf Rapids Town Properties Ltd., in the amount of $2,265,596 require an annual interest payment to the Government. The remainder of Investments are income debentures and shares.

Investments have been funded mainly through borrowings of the Government. Interest on this debt is paid from the Government's appropriations and is reduced by interest received on the fixed interest debentures referred to above.

GOVERNMENT OF THE PROVINCE OF MANITOBA

VALUATION ALLOWANCE

As at March 31, 1987
(with comparative figures for March 31, 1986)

	Amount at March 31, 1987	Valuation Allowance March 31, 1987	Valuation Allowance March 31, 1986	Valuation Date
LOANS AND ADVANCES TO CROWN CORPORATIONS, AGENCIES, BOARDS AND COMMISSIONS:				
Manitoba Water Services Board	$ 17,394,246	$ 1,260,237	$ 1,903,581	March 31, 1987
Manitoba Agricultural Credit Corporation	244,703,258	10,929,002	4,707,347	March 31, 1987
Manitoba Development Corporation (Note 1)	24,558,053	580,000	10,073,275	March 31, 1987
Manitoba Housing and Renewal Corporation	273,936,668	192,816	1,436,394	March 31, 1987
Manitoba Energy Authority	1,713,095	1,700,200	1,767,965	March 31, 1987
Manitoba Properties Inc.	17,325,000	6,325,000	4,875,000	Jan. 31, 1987
Venture Manitoba Tours Ltd	–	–	1,847,916	March 31, 1986
		$ 20,987,255	$ 26,611,478	
OTHER LOANS AND ADVANCES:				
Manitoba Beef Stabilization Fund	$ 33,500,000	$ 28,031,230	$ 27,249,149	March 31, 1987
Manitoba Hog Producers' Marketing Board	–	–	5,481,756	Dec. 31, 1985
Insulation Loan Program	15,280,029	1,712,030	511,755	March 31, 1987
Energy Conservation Loan Program	91,350	2,302	–	March 31, 1987
Emergency Interest Rate Relief Program	6,325,798	1,821,003	638,412	March 31, 1987
Venture Capital Program	5,501,780	1,478,336	798,471	March 31, 1987
Manitoba Potash Corporation	650,000	560,414	–	March 31, 1987
Film Support Program	682,678	682,678	136,000	March 31, 1987
Employment Co-op Program	62,384	62,384	–	March 31, 1987
		$ 34,350,377	$ 34,815,543	
SHARES AND DEBENTURES OF CROWN CORPORATIONS:				
COMMON SHARES:				
Manfor Ltd.	$ 20,000,000	$ –	$ 20,000,000	Dec. 31, 1985
Manitoba Mineral Resources Ltd.	7,400,000	1,495,616	2,538,108	Dec. 31, 1985
Manitoba Oil and Gas Corporation	10,000,000	1,000,367	629,912	Dec. 31, 1985
A.E. McKenzie Co Ltd	114,500	–	114,500	Oct. 31, 1985
Leaf Rapids Town Properties Ltd.	100	–	100	March 31, 1986
		$ 2,495,983	$ 23,282,620	
PREFERRED SHARES:				
Manfor Ltd.	$ 107,136,809	$ –	$ 106,227,000	Dec. 31, 1985
Leaf Rapids Town Properties Ltd.	2,025,801	–	564,137	March 31, 1986
		$ –	$ 106,791,137	
OTHER INVESTMENTS:				
COMMON SHARES:				
Tantalum Mining Corporation of Canada Limited	$ 717,000	$ –	$ 1,507,575	March 31, 1986
		$ 57,833,615	$ 193,008,353	

NOTE 1: Advances made to the Manitoba Development Corporation were for the specific purpose of providing funds to the following Corporations:

Sherritt Gordon Mines	$ 10,000,000
A.E. McKenzie Co. Ltd.	6,101,777
Palliser Furniture Ltd.	2,000,000
North Portage Theatre Corp	1,800,000
Destination Manitoba	1,374,332
Gravure Graphics Ltd.	638,000
Toro Canada Ltd.	625,000
Simon Day Ltd.	504,444
Guertin Bros.	450,000
Tantalum Mining Corp	584,500
Artic Co-operative Ltd	205,000
Tourism Agreement	275,000
	$ 24,558,053

GOVERNMENT OF THE PROVINCE OF MANITOBA

AMOUNT OWING TO THE TRUST FUND

As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
Amount Advanced From The Trust Fund	$ 569,504,889	$ 487,889,264

This amount consists primarily of surplus cash of Crown Corporations, Agencies, Boards and Commissions on deposit with the Minister of Finance for investment, but not specifically invested. The Government's policy with respect to money management requires that all short-term investments be made in the Operating Fund regardless of the source of the money. At any time the aggregate amount and average term of short-term investments may or may not equal the aggregate amount and average term of the trust funds on deposit with the Government. At March 31, 1987, the amount of Temporary Investments exceeded the amount advanced from the Trust Fund by $364,131,625.

GOVERNMENT OF THE PROVINCE OF MANITOBA

ACCOUNTS PAYABLE, ACCRUED CHARGES AND FUNDS SUBJECT TO CALL

As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
ACCOUNTS PAYABLE:		
Cheques issued subsequent to March 31, in settlement of accounts payable for goods received and services rendered prior to that date.	$ 153,830,057	$ 146,006,647
Government of Canada – Established Programs Cash Transfer	14,171,000	9,200,000
Shared Cost Claims	366,965	176,210
Manitoba Savings Bonds Matured but Not Presented for Payment	110,100	76,400
Debenture Coupons Due but not Presented	88,843	130,969
Foreign Exchange Account – U.S. Dollars	82,508	122,886
Sundry	1,025	19,300
	$ 168,650,498	$ 155,732,412
ACCRUED CHARGES:		
Interest Accrued on Provincial Debentures, Savings Bonds, Treasury Bills and Trust Funds, less amounts thereof Payable by Crown Corporations or other entities	$ 157,094,194	$ 136,233,706
Public Schools Support	35,037,000	–
Unfunded Liability for Manitoba Development Corporation Losses	7,633,039	–
	$ 199,764,233	$ 136,233,706
FUNDS SUBJECT TO CALL:		
Government of Canada–Advances re: Shared–cost programs not yet claimed		
Fur Trapper Services	$ 111,063	$ 117,746
Hillridge School	156,067	156,067
Atomic Energy of Canada Ltd.	7,318	–
Industrial Development	–	214,777
Limestone Employment and Training	–	1,778,262
Transportation	–	2,579
Value Added Crops	–	1,055
	$ 274,448	$ 2,270,486
	$ 368,689,179	$ 294,236,604

GOVERNMENT OF THE PROVINCE OF MANITOBA
BORROWINGS

As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
Bonds and Debentures	$ 5,394,725,813	$ 4,318,680,372
Canada Pension Plan	1,794,620,000	1,676,621,000
Government of Canada	138,303,278	172,926,608
Treasury Bills	325,000,000	325,000,000
	$ 7,652,649,091	$ 6,493,227,980
Less: Debentures Issued Under Financial Assistance Agreements		
Credit Union Stabilization Fund	$ 25,000,000	$ 25,000,000
Les Fonds de Securite des Caisses Populaires	4,500,000	4,500,000
	$ 29,500,000	$ 29,500,000
Total Borrowings	$ 7,623,149,091	$ 6,463,727,980
Less:		
Unamortized Debt Issue Costs	39,560,113	28,460,861
	$ 7,583,588,978	$ 6,435,267,119

The amount for Bonds and Debentures includes debentures in the amount of $29.5 million which were issued under agreements with the Credit Union Stabilization Fund and Les Fonds de Securite des Caisses Populaires. Under these agreements the Credit Union Stabilization Fund and Les Fonds de Securite des Caisses Populaires received advances of $25.0 million and $4.5 million respectively in the form of provincial debentures which are required to be cancelled at maturity in settlement of the advances. The debentures remain in the custody of the Province. The purpose of these transactions was to provide financial assistance to the aforementioned entities during the five year period July 7, 1982 to July 7, 1987. The assistance provided to these entities is consistent with the interest provision of 14 7/8% stated for the debentures. The annual assistance is charged to an appropriation voted for this purpose in the Department of Co-operative Development.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SINKING FUNDS PROVIDED

As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987			March 31, 1986		
	Cash	Investments	Total	Cash	Investments	Total
Provided from Provincial Contributions	$ 200,375,833	$ 722,716,148	$ 923,091,981	$ 197,685,768	$ 559,212,558	$ 756,898,326
Crown Corporation Sinking Funds Relevant to Debt Incurred by the Province (Note 2):						
Manitoba Hydro–Electric Board	41,376,597	69,574,512	110,951,109	40,832,096	53,568,733	94,400,829
Manitoba Telephone System	11,348,966	2,611,521	13,960,487	11,287,432	3,361,970	14,649,402
Manitoba Housing and Renewal Corporation	5,473,861	1,377,490	6,851,351	3,470,272	2,306,349	5,776,621
	$ 258,575,257	$ 796,279,671	$1,054,854,928	$ 253,275,568	$ 618,449,610	$ 871,725,178

NOTE 1: In addition to the Sinking Funds shown above, Crown Corporations have accumulated further Sinking Funds pertaining to their own direct debt. These Sinking Funds are held by the Minister of Finance and are shown in the Trust Fund and have been allocated between debt guaranteed by the Province of Manitoba and debt not so guaranteed in proportions as follows:

	March 31, 1987		March 31, 1986	
	Guaranteed Debt	Non-Guaranteed Debt	Guaranteed Debt	Non-Guaranteed Debt
Manitoba Hydro–Electric Board	$ 222,541,134	$ –	$ 211,927,589	$ –
Manitoba Telephone System	37,052,295	–	37,837,858	–
Manitoba Water Services Board	716,376	–	1,477,164	–
Manitoba Housing and Renewal Corporation	–	7,214,288	–	5,750,412
University of Manitoba	12,277,767	–	11,077,833	–
	$ 272,587,572	$ 7,214,288	$ 262,320,444	$ 5,750,412

NOTE 2: These Sinking Funds have been provided for repayment of the debt used to fund advances to these entities and are therefore deducted from both the advance amounts and the applicable debt.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF SERIAL DEBENTURES OF SCHOOL DIVISIONS AND DISTRICTS, TRANSFERRED FROM THE MANITOBA SCHOOL CAPITAL FINANCING AUTHORITY

As at March 31, 1987
(with comparative figures for March 31, 1986)

Interest Rate %	March 31, 1987	March 31, 1986
5.75	$ 347,234	$ 1,601,797
7.00	1,957,732	2,899,084
7.50	3,770,262	4,374,082
7.75	7,909,024	9,149,268
8.00	7,737,643	8,909,175
8.25	9,255,207	11,293,945
8.50	4,512,921	5,402,104
9.00	5,164,077	5,593,664
9.25	40,685,955	43,007,587
9.50	8,185,821	8,601,324
9.75	13,724,606	14,569,539
10.25	6,449,874	6,686,246
10.50	6,500,369	6,766,674
10.75	38,493,231	39,588,143
13.00	7,252,062	7,462,731
	$ 161,946,018	$ 175,905,363

The School Capital Financing Authority Act was repealed April 1, 1983 at which date all investments and money held by the Authority, as well as debt payable by the Authority, were assumed by the Government. The investments transferred to the Government consisted of serial debentures issued by school divisions and districts for which the Government is primarily responsible for repayment. Accordingly, an annual appropriation is made in the Consolidated Fund to cover the principal and interest costs of these debentures.

The cash drawn from this appropriation for the required annual principal repayments is transferred to the Province's sinking fund where it will be used for repayment of the debt assumed from the Authority. A similar treatment would be accorded any proceeds from the sale of the school debentures.

GOVERNMENT OF THE PROVINCE OF MANITOBA
SECURITIES RECEIVED FROM THE SALE OF LAND AND BUILDINGS TO MANITOBA PROPERTIES INC.
As at March 31, 1987
(with comparative figures for March 31, 1986)

	March 31, 1987	March 31, 1986
Shares of Manitoba Properties Leasing Inc.		
170,493,391 common shares	$ 130,584,364	$ 149,044,734
Shares of Manitoba Properties Management Inc.		
170,493,391 common shares	130,584,364	149,044,734
	$ 261,168,728	$ 298,089,468
Less: Special Valuation Account	261,138,628	298,059,368
	$ 30,100	$ 30,100
Promissory Notes of Manitoba Properties Inc:		
13% payable quarterly, due July 31, 1994	$ 128,955,631	$ 128,977,631
10% payable quarterly, due July 31, 1994	52,730,492	52,730,492
	$ 181,686,123	$ 181,708,123
	$ 181,716,223	$ 181,738,223

NOTE: During the fiscal years ended March 31, 1985 and March 31, 1986, the Province sold land and buildings with an aggregate value of $916,588,539 to two Crown Corporations, Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. Under the purchase arrangement, the properties were resold to Manitoba Properties Inc. at the same price. The Province received the following consideration for the above noted sales:

Common Shares of Manitoba Properties Leasing Inc.	$ 170,493,391
Common Shares of Manitoba Properties Management Inc.	170,493,391
Promissory Notes of Manitoba Properties Inc. due July 31, 1994	181,708,123
Cash	393,893,634
Total Proceeds	$ 916,588,539
Less: Allocation of Proceeds to Special Valuation Account	340,956,682
Balance of Proceeds Applied to Excess of Liabilities Over Financial Assets Account	$ 575,631,857

During the fiscal year ended March 31, 1987, no further land or buildings were sold, however, $22,000 of land was repurchased by the Province and the amount of Promissory Notes referred to above were adjusted to reflect the repurchase.

On resale of the Assets to Manitoba Properties Inc, the two Crown Corporations received common shares of Manitoba Properties Inc. The resale agreement stipulated that Manitoba Properties Inc. would record the issue of these shares in its capital account at a value of $20,000 for shares issued to March 31, 1985 and an additional $10,100 for shares issued to March 31, 1986. For the fiscal years ended March 31, 1985 and March 31, 1986 $209,246,896 and $131,709,786 respectively were designated and accounted for as contributed surplus.

The contributed surplus was subsequently transferred to retained earnings and is available for the payment of annual dividends to preferred shareholders of Manitoba Properties Inc. Payment of dividends from retained earnings has the effect of reducing the value of the Manitoba Properties Inc. shares owned by Manitoba Properties Leasing Inc. and Manitoba Properties Management Inc. and would have the collateral effect on the shares in these two corporations owned by the Province. As a result, the Province has allocated a portion of the sale proceeds equal to the contributed surplus to a special valuation account.

This account is used to reflect the diminution in value of the common shares of Manitoba Properties Leasing Inc. and of Manitoba Properties Management Inc., as a result of dividends paid to preferred shareholders of Manitoba Properties Inc. As of March 31, 1987, the value shown for the common shares of each of these two Crown Corporations has been reduced by $39,909,027 and the valuation account by $79,818,053 to reflect dividend payments as follows:

Dividends paid by MPI during its fiscal year ended January 31, 1985	$ 9,190,580
Dividends paid by MPI during its fiscal year ended January 31, 1986	33,706,734
Dividends paid by MPI during its fiscal year ended January 31, 1987	36,920,739
	$ 79,818,053

GOVERNMENT OF THE PROVINCE OF MANITOBA

EXCESS OF LIABILITIES OVER FINANCIAL ASSETS

As at March 31, 1987

Balance March 31, 1986		$ 2,794,189,722
Write-Down (off) of Loans, Advances and Long Term Investments (Note 1)	$ 184,810,850	
Prior Years Adjustments Related to:		
Public Schools Support (Note 2)	49,557,150	
Repurchase of Land from Manitoba Properties Inc.	22,000	
Unfunded Liability for Manitoba Development Corporation Losses (Note 3)	7,633,039	242,023,039
		$ 3,036,212,761
Excess of Expenditure Over Revenue for the Fiscal Year Ended March 31, 1987		559,058,610
		$ 3,595,271,371
Deduct		
Decrease in Valuation Allowance		
March 31, 1986 Balance	$ 193,008,353	
March 31, 1987 Balance	57,833,615	135,174,738
Balance March 31, 1987		$ 3,460,096,633

NOTE 1: Loans, Advances and investments in the aggregate of $184.8 million have been deemed non-recoverable by the Province and have been written-down or written-off pursuant to authority provided under the Financial Administration Act. This adjustment recognizes a reduction in the value of assets as the result of cumulative operating losses and loan forgiveness provisions in certain agreements and is considered a preliminary requirement to the implementation of a new policy for recording losses on loans, advances and investments as described under "Change in Accounting Policies."

NOTE 2: An accounting policy change was made during the fiscal year in order that the Province's share of Public Schools Support costs would be recorded on an accrual basis in future years. The purpose of this change is to reflect these costs in the fiscal year in which the expenditures are being incurred by the School Divisions.

NOTE 3: The Manitoba Development Corporation has accrued losses at March 31, 1987, related to the divestiture of Flyer Industries Limited that exceed the funding provided by the Province at that date by $7.6 million. The Province has accrued a liability of this amount to the Corporation in order to recognize the Province's responsibility to fund this amount when it becomes payable.

SECTION 3

BORROWINGS, GUARANTEED AND INDIRECT LIABILITY STATEMENTS

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GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF VALUATION AND PURPOSE OF BORROWINGS

as at March 31, 1987
(in thousands)

Valuation of Debt	Par Value	Canadian Dollar Equivalent at Date of Issue	as at March 31, 1987 Exchange Rate	Canadian Dollar Valuation	Amortized Book Value	Unamortized Foreign Exchange Fluctuation
Direct Debt Payable in:						
Canadian Dollars	3,751,770	$ 3,751,770	$1.00	$ 3,751,770	$ 3,751,770	$ –
U.S. Dollars	1,478,700	1,851,264	1.3051	1,929,851	1,936,703	(6,852)
Swiss Francs	1,413,000	878,242	0.8671	1,225,212	886,812	338,400
European Units of Account	3,000	3,240	3.5413	10,624	6,655	3,969
Japanese Yen (Note 1)	124,000,000	676,347	0.0087279	1,082,264	738,334	343,930
Deutsche Marks	900,000	491,786	0.7245	652,050	493,578	158,472
Total Direct Debt		$ 7,652,649		$ 8,651,771	$ 7,813,852	$ 837,919
Guaranteed Debt Payable in:						
Canadian Dollars	1,005,901	$ 1,005,901	$1.00	$ 1,005,901	$ 1,005,901	$ –
U.S. Dollars	773,000	772,490	1.3051	1,008,842	891,944	116,898
Swiss Francs	80,000	54,280	0.8671	69,368	57,007	12,361
Deutsche Marks	15,000	4,593	0.7245	10,868	7,173	3,695
Total Guaranteed Debt		$ 1,837,264		$ 2,094,979	$ 1,962,025	$ 132,954
Total Direct & Guaranteed Debt		$ 9,489,913		$ 10,746,750	$ 9,775,877	$ 970,873
Purpose of Debt						
General Government Programs		$ 4,457,901		$ 5,144,994	$ 4,558,190	$ 586,804
Other:						
The Manitoba Hydro-Electric Board		$ 3,200,355		$ 3,750,996	$ 3,378,469	$ 372,527
The Manitoba Telephone System		734,221		753,324	741,782	11,542
Manitoba Properties Inc.		399,143		399,143	399,143	–
The Manitoba Agricultural Credit Corporation		209,591		209,591	209,591	–
Manitoba Jobs Fund Programs		135,541		135,541	135,541	–
Manfor Ltd.		115,142		115,142	115,142	–
The Manitoba Housing & Renewal Corporation		113,041		113,041	113,041	–
The Manitoba Beef Stabilization Fund		37,600		37,600	37,600	–
University of Manitoba		17,065		17,065	17,065	–
The Manitoba Water Services Board		16,314		16,314	16,314	–
The Manitoba Oil & Gas Corporation		15,000		15,000	15,000	–
Federal-Provincial Loan Agreements		9,574		9,574	9,574	–
Emergency Interest Rate Relief Program		9,000		9,000	9,000	–
Manitoba Mineral Resources Ltd.		8,400		8,400	8,400	–
Energy Conservation Loan Fund		2,820		2,820	2,820	–
Venture Manitoba Tours Ltd.		2,588		2,588	2,588	–
The Manitoba Hog Income Stabilization Plan		2,400		2,400	2,400	–
Manitoba Data Services		1,662		1,662	1,662	–
Municipal, Hospital & Other Indebtedness		1,055		1,055	1,055	–
Venture Capital Program		1,000		1,000	1,000	–
Tourism Agreement 1985-90		500		500	500	–
		$ 5,032,012		$ 5,601,756	$ 5,217,687	$ 384,069
Total Direct & Guaranteed Debt		$ 9,489,913		$ 10,746,750	$ 9,775,877	$ 970,873

Refer to notes on following page.

NOTE 1: The March 31, 1987 Canadian Dollar Valuation of the Province's Japanese Yen Debt is based on 115.0 billion Japanese Yen converted at a rate of $.008964 Canadian and 39.4 million U.S. dollars (representing 9.0 billion Japanese Yen covered under currency exchange agreements) converted at a rate of 1.3051 Canadian. Calculation may differ due to rounding.

NOTE 2: The Government has acquired certain of the above foreign currency bonds through its Sinking Fund Management Program. The following bonds were held in the various Sinking Funds at March 31, 1987 (in thousands):

	Par Value	Canadian Dollar Equivalent at Date of Issue	Canadian Dollar Valuation March 31, 1987	Amortized Book Value	Unamortized Foreign Exchange Fluctuation
Bonds Payable in:					
U.S. Dollars	66,439	$ 69,136	$ 86,710	$ 82,090	$ 4,620

GOVERNMENT OF THE PROVINCE OF MANITOBA

BORROWINGS OUTSTANDING

As at March 31, 1987

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)	Amount Outstanding as at March 31, 1987		References
Debenture Loans							
(A) Payable in Canadian Dollars:							
10Z	Mar. 31, 1988–99		1979	10.125	$ 4,203,811		
CU	July 7, 1987		1982	14.875	29,500,000		
11M	Oct. 13, 1987		1982	13.25	150,000,000		(1)
11G	Mar. 25, 1988		1982	15.75	75,000,000		
10V	Dec. 1, 1988		1978	9.75	75,000,000		
11D	Mar. 31, 1991		1981	13.75	110,000,000		
11J	Mar. 31, 1992		1982	15.25	40,000,000		
11R	Mar. 15, 1993		1983	11.75	275,000,000		(1)
9R	Oct. 1, 1993	(1989)	1973	8.75	31,000,000		
AF	Apr. 25, 1994		1984	12.00	50,000,000		
AK	Aug. 30, 1994		1984	13.50	50,000,000		
BD	Mar. 31, 1995		1987	8.00–8.25	200,000,000		(7)
AN	May 15, 1995		1985	11.50	150,000,000		(1)
AU	Nov. 27, 1995		1985	10.10	50,000,000		
9G	Jan. 1, 1996	(1993)	1966	5.75	10,000,000		
BC	Feb. 5, 1997		1987	8.50–8.75	150,000,000		(6)
10T	May 15, 1998	(1993)	1978	9.75	16,700,000		
11A	Aug. 1, 1999	(1996)	1979	10.25	5,000,000		
9X	Dec. 5, 1999	(1989)	1974	10.00	20,000,000	$ 1,491,403,811	
(B) Payable in U.S. Dollars:							
10X	May 1, 1987–89	(1984)	1979	9.625	$ 41,110,332 (a)		
10W	Mar. 15, 1989		1979	9.50	89,450,600 (c)		
11L	Sept. 29, 1989		1982	13.75	122,741,073 (d)		
11N	Nov. 15, 1989		1982	11.75	153,407,000 (e)		
AA	June 15, 1990		1983	10.50	123,081,000 (d)		
AV	Feb. 11, 1991		1986	8.75	175,562,500 (e)		
11E	July 1, 1991		1981	14.75	179,861,085 (f)		
9J	Nov. 1, 1993	(1983)	1968	6.875	53,613,647 (b)		
9K	Apr. 1, 1994	(1984)	1969	7.875	37,692,104 (g)		
9U	May 1, 1994		1974	8.375	12,406,789 (h)		
AM	Oct. 10, 1994		1984	12.50	131,670,000 (d)		
9M	Nov. 15, 1994	(1984)	1969	8.875	53,734,680 (b)		
10D	Nov. 15, 1995		1975	9.625	20,137,500 (i)		
AX	May 20, 1996		1986	7.50	207,315,000 (f)		
11H	Mar. 15, 1997	(1994)	1982	14.75	242,600,800 (j)		
AZ	July 17, 2016		1986	7.75	206,880,000 (f)	1,851,264,110	
(C) Payable in Swiss Francs:							
10G	Mar. 15, 1988		1976	7.375	$ 6,256,262 (k)		
AC	Nov. 1, 1988	(1986)	1983	5.625	116,700,000 (l)		
11F	Feb. 22, 1992	(1988)	1982	7.00	63,760,000 (m)		
10L	May 12, 1992	(1983)	1977	5.50	29,901,600 (n)		
11P	Nov. 4, 1992	(1987)	1982	5.625	56,127,800 (m)		
11Q	Mar. 1, 1993	(1988)	1983	5.25	60,180,000 (m)		
10R	May 18, 1993	(1984)	1978	4.00	42,378,675 (o)		
AB	Nov. 1, 1993	(1988)	1983	5.50	58,350,000 (m)		
AH	June 6, 1994	(1989)	1984	5.75	57,240,000 (m)		
BB	Nov. 21, 1994		1986	4.75	163,192,000 (l)		
AQ	June 26, 1997		1985	5.50	106,156,000 (l)		
AY	Aug. 5, 1998		1986	5.25	118,000,000 (p)	878,242,337	
(D) Payable in European Units of Account:							
9L	June 17, 1987–89	(1980)	1969	7.00	$ 3,240,000 (q)	3,240,000	(2)
	Carried Forward					$ 4,224,150,258	

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)	Amount Outstanding as at March 31, 1987		References
	Brought Forward					$ 4,224,150,258	
(E) **Payable in Japanese Yen:**							
10Q	Jan. 30, 1988–90	(1984)	1978	6.70	$ 41,266,350 (r)		(3)
11V	Apr. 26, 1988–93	(1988)	1983	8.70	51,540,000 (s)		
11K	July 30, 1988–92	(1988)	1982	8.60	75,317,505 (t)		
11U	June 24, 1989–93	(1989)	1983	8.10	76,920,000 (t)		
AG	May 31, 1989–94	(1989)	1984	8.10	55,892,600 (s)		
AJ	July 27, 1989–94	(1989)	1984	8.10	81,165,000 (t)		
AE	Mar. 18, 1990–94	(1990)	1984	7.50	84,975,000 (t)		
AT	Nov. 18, 1990–95	(1990)	1985	7.10	100,890,000 (t)		
AP	Apr. 19, 1991–95	(1991)	1985	7.40	108,380,000 (u)	676,346,455	
(F) **Payable in Deutsche Marks:**							
11T	May 1, 1993		1983	7.375	$ 100,366,000 (v)		
AL	Oct. 1, 1994		1984	7.625	86,900,000 (v)		
AS	Nov. 1, 1995		1985	6.375	101,960,000 (v)		
BA	Sept. 26,1996		1986	5.875	202,560,000 (w)	491,786,000	
	Total Debentures					$ 5,392,282,713	
Savings Bonds (Payable in Canadian Dollars):							
10S	June 1, 1987		1977	8.25	$ 1,009,600		
11S	June 1, 1988		1978	8.75	913,400		
12S	July 1, 1989		1979	9.50	520,100	2,443,100	
	Total Bonds and Debentures					$ 5,394,725,813	
Canada Pension Plan (Payable in Canadian Dollars):							
CPP	Various 1987–2007		1967–87	5.37–17.51	$ 1,794,620,000	1,794,620,000	(4)
Government of Canada (Payable in Canadian Dollars):							
GC	Various 1987–1999		1973–79	6.51–10.75	$ 8,450,316		
MW	Various 1987–1998		1965–69	5.25–5.625	3,025,150		
TP	April 1, 1987–1998		1975–78	6.7654–9.9448	3,588,653		
	Hydro Transmission Line Agreement				116,546,717		
	Agricultural Service Centres Agreement				6,119,096		
	Brandon Special Area Agreement				573,346	138,303,278	
Treasury Bills (Payable in Canadian Dollars):							
3	Various 1987		1987	Nil	$ 325,000,000	325,000,000	(5)
Total Borrowings						$ 7,652,649,091	

Notes:

The Canadian Dollar Equivalent at time of issue of:

(a)	36,000,000	U.S. Dollars	
(b)	50,000,000	U.S. Dollars	
(c)	75,000,000	U.S. Dollars	
(d)	100,000,000	U.S. Dollars	
(e)	125,000,000	U.S. Dollars	
(f)	150,000,000	U.S. Dollars	
(g)	35,000,000	U.S. Dollars	
(h)	12,700,000	U.S. Dollars	
(i)	20,000,000	U.S. Dollars	
(j)	200,000,000	U.S. Dollars	
(k)	16,000,000	Swiss Francs	
(l)	200,000,000	Swiss Francs	
(m)	100,000,000	Swiss Francs	
(n)	72,000,000	Swiss Francs	
(o)	75,000,000	Swiss Francs	
(p)	150,000,000	Swiss Francs	
(q)	3,000,000	European Units of Account	
(r)	9 Billion	Japanese Yen	
(s)	10 Billion	Japanese Yen	
(t)	15 Billion	Japanese Yen	
(u)	20 Billion	Japanese Yen	
(v)	200,000,000	Deutsche Marks	
(w)	300,000,000	Deutsche Marks	

References:

1. The Province may issue additional debentures under authority of the Lieutenant Governor in Council.
2. Redeemable at the option of the holder on or after June 17, 1984.
3. The Province has entered into a currency exchange agreement for the conversion of this Japanese Yen liability to U.S. $39.3 million, thus changing the Province's foreign exchange risk of this issue from Japanese Yen to U.S. Dollars through maturity.
4. Held by and callable at par at the option of the Minister of Finance of Canada on 6 months notice.
5. 91-day Treasury Bills issued to the public in the amount of $25,000,000 weekly.
6. Retractable at holder's option at February 5, 1990.
7. Retractable at holder's option at March 31, 1990.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SECURITIES GUARANTEED

As at March 31, 1987
(in thousands)

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)	Amount Outstanding As at March 31, 1987	
Debt of Self-Supporting Utilities, Cities and Towns:						
The Manitoba Hydro-Electric Board						
Debenture Loans:						
(A)	**Payable in Canadian Dollars:**					
2N	Nov. 15, 1987	(1985)	1967	7.00	$ 7,300	
2E	Mar. 1, 1988	(1985)	1965	5.25	20,000	
2J	Feb. 1, 1989	(1986)	1967	6.25	25,000	
2Q	Apr. 1, 1990	(1988)	1970	9.00	3,277	
2S	Apr. 1, 1991	(1989)	1971	8.00	40,000	
2U	Sept. 15, 1991	(1989)	1971	8.50	35,000	
2V	Oct. 15, 1991	(1989)	1971	8.00	10,000	
2Y	Apr. 5, 1992	(1990)	1972	7.875	50,000	
2K	Apr. 15, 1992	(1988)	1967	6.00	35,000	
2Z	Aug. 31, 1992	(1990)	1972	8.25	40,000	
2L	Sept. 1, 1992	(1989)	1967	6.50	20,000	
2P	Aug. 1, 1993	(1989)	1968	7.25	25,000	
3G	June 10, 1994	(1989)	1974	10.00	47,000	
3B	Aug. 1, 1998	(1993)	1973	8.375	35,000	
3D	Dec. 17, 1998	(1993)	1973	8.375	40,000	$ 432,577
(B)	**Payable in U.S. Dollars:**					
1U	Mar. 1, 1988	(1975)	1963	4.875	$ 26,927(b)	
1Z	Oct. 1, 1989	(1974)	1964	4.50	26,914(b)	
2F	Nov. 1, 1990	(1980)	1965	4.75	9,681(c)	
2G	Nov. 15, 1990	(1980)	1965	4.75	4,836(d)	
3A	Oct. 15, 1997	(1987)	1972	7.65	58,928(e)	
3M	June 30, 2001	(1991)	1976	9.25	121,470(a)	
3C	Oct. 15, 2003	(1988)	1973	8.00	59,803(e)	
3E	June 15, 2004	(1989)	1974	9.25	97,213(f)	
3H	Dec. 1, 2004	(1989)	1974	9.375	98,959(f)	
3L	Jan. 15, 2006	(1991)	1976	9.25	125,405(a)	
3N	Dec. 1, 2006	(1991)	1976	8.625	126,774(a)	756,910
(C)	**Payable in Deutsche Marks:**					
2X	June 1, 1987	(1978)	1972	6.75	$ 4,593(i)	4,593
	Total Debentures					$ 1,194,080
Notes – Payable in Canadian Dollars:						
	Various 1987		1987	6.83	$ 20,000	20,000
	Carried Forward					$ 1,214,080

Series	Date of Maturity	Call Date	Year of Issue	Interest Rate (%)	Amount Outstanding as at March 31, 1987	
	Brought Forward					$ 1,214,080
The Manitoba Telephone System						
Debenture Loans:						
(A)	**Payable in Canadian Dollars:**					
1J	Feb. 15, 1989		1969	7.75	$ 10	
1M	Sept. 15, 1989	(1987)	1969	8.00	108	
1N	Nov. 15, 1991	(1989)	1971	7.875	20,000	
1F	Dec. 1, 1991	(1988)	1966	6.25	20,000	
1G	Feb. 15, 1993	(1989)	1968	7.00	20,000	
1P	Mar. 15, 1993	(1991)	1973	7.875	10,000	
1T	July 2, 1995	(1993)	1975	10.00	10,000	
1U	May 1, 1996	(1994)	1976	10.50	20,000	
1S	Mar. 1, 1999	(1994)	1974	8.75	37,000	$ 137,118
(B)	**Payable in U.S. Dollars:**					
1E	Jan 15, 1991	(1986)	1966	5.00	$ 15,580(g)	15,580
(C)	**Payable in Swiss Francs:**					
1V	Jan. 3, 1992	(1989)	1986	5.00	$ 54,280(h)	54,280
	Total Debentures					$ 206,978
The Manitoba Water Services Board						
Debentures Payable to Receiver General for Canada – Payable in Canadian Dollars and redeemable on six months notice:						
CPP	June 2, 1989		1969	7.26	$ 3,023	$ 3,023
Bonds of Various Cities and Towns						
Debentures Payable to Receiver General for Canada – Payable in Canadian Dollars:						
	Mar. 23, 1988–93		1973	6.98	$ 944	$ 944
Total Self-Supporting Guaranteed Debt						$ 1,425,025
Debt of Crown Corporations whose main source of income is the Consolidated Fund:						
Manitoba Properties Inc.						
Series A – 9.25% Cumulative Redeemable Retractable Preferred Shares					$ 399,143	$ 399,143
Debt of Hospitals and Institutions on which the debt servicing costs including principal repayments are paid in whole or in part from the Consolidated Fund:						
The University of Manitoba						
Debenture Loans Payable in Canadian Dollars:						
1R	Apr. 15, 1987–2001		1971	7.50	$ 1,495	
1L	June 1, 1987–Dec. 1, 1994		1964	5.125	412	
1N	June 1, 1987–Dec. 1, 1994		1964	5.125	578	
1H	Oct. 15, 1987	(1977)	1962	5.625	2,500	
1Q	Feb. 15, 1992	(1987)	1967	5.75	5,000	
1P	Dec. 15, 1995	(1985)	1965	5.50	3,000	$ 12,985
Bonds of Various Hospitals and Institutions Payable in Canadian Dollars:						
	Various 1987–91		1961	5.50–5.75	$ 111	111
Total Guaranteed Debt serviced in whole or in part from the Consolidated Fund						$ 13,096
Total Securities Guaranteed						$ 1,837,264

Sinking Funds Applicable to Securities Guaranteed (held in Trust Fund):		
Manitoba Hydro–Electric Board	$ 222,541	
Manitoba Telephone System	37,052	
Manitoba Water Services Board	716	
University of Manitoba	12,278	$ 272,587

Notes:

The Canadian Dollar Equivalent at time of issue of:

(a)	125,000,000	U.S. Dollars	(f)	100,000,000	U.S. Dollars
(b)	25,000,000	U.S. Dollars	(g)	14,500,000	U.S. Dollars
(c)	9,000,000	U.S. Dollars	(h)	80,000,000	Swiss Francs
(d)	4,500,000	U.S. Dollars	(i)	15,000,000	Deutsche Marks
(e)	60,000,000	U.S. Dollars			

GOVERNMENT OF THE PROVINCE OF MANITOBA

CHANGES IN BORROWINGS

During the Year Ended March 31, 1987

	March 31, 1987	March 31, 1986	Increase or (Decrease)
Province of Manitoba:			
Bonds and Debentures	$ 5,394,725,813	$ 4,318,680,372	$ 1,076,045,441
Canada Pension Plan	1,794,620,000	1,676,621,000	117,999,000
Government of Canada	138,303,278	172,926,608	(34,623,330)
Treasury Bills	325,000,000	325,000,000	–
	$ 7,652,649,091	$ 6,493,227,980	$ 1,159,421,111
Increases:			
Bonds and Debentures:			
Series "AX" U.S. $150,000,000, 7.50% dated May 20, 1986 due May 20, 1996.			
– Purpose: General Government Programs		$ 121,472,700	
Refunding Series "AD" (advances – Manitoba Telephone System)		64,091,640	
Refunding Series "AD" (advances – Manitoba Jobs Fund)		21,750,660	$ 207,315,000
Series "AY" 150,000,000 Swiss Francs, 5.25% dated August 5, 1986 due August 5, 1998.			
– Purpose: General Government Programs			118,000,000
Series "AZ" U.S. $150,000,000, 7.75% dated July 17, 1986 due July 17, 2016.			
– Purpose: Funding Manitoba Hydro Notes		$ 37,000,000	
Advances to Manitoba Hydro		169,880,000	206,880,000
Series "BA" 300,000,000 Deutsche Marks, 5.875% dated September 26, 1986 due September 26, 1996.			
– Purpose: General Government Programs		$ 136,960,000	
Funding advances previously made to Manitoba Telephone System		65,600,000	202,560,000
Series "BB" 200,000,000 Swiss Francs, 4.75% dated November 21, 1986 due November 21, 1994.			
– Purpose: General Government Programs		$ 135,618,300	
Advances to Manitoba Hydro		27,573,700	163,192,000
Series "BC" $150,000,000, 8.50–8.75% dated February 5, 1987 due February 5, 1997.			
– Purpose: General Government Programs		$ 62,500,000	
Manitoba Telephone System		87,500,000	150,000,000
Series "BD" $200,000,000, 8.00–8.25% dated March 31, 1987 due March 31, 1995.			
– Purpose: General Government Programs		$ 100,000,000	
Manitoba Hydro		100,000,000	200,000,000
			$ 1,247,947,000
Canada Pension Plan:			
Series "CPP" $149,984,500, 9.36 – 10.17% issued during 1986–7 maturing 2006–7.			
– Purpose: General Government Programs		$ 44,129,500	
Manfor Ltd.		33,222,000	
Manitoba Hog Income Stabilization Plan		2,400,000	
Manitoba Oil & Gas Company		10,000,000	
Manitoba Beef Stabilization Fund		16,600,000	
Venture Manitoba Tours		2,587,500	
Energy Conservation Loan Fund		2,820,000	
Tourism Agreement 1985–90		500,000	
Advances previously made to:			
Manitoba Agricultural Credit Corporation		37,725,000	149,984,000
TOTAL INCREASE			$ 1,397,931,000

Decreases:

Bonds and Debentures:			
Debentures:			
Series "9L" 1,000,000 European Units of Account matured June 17, 1986	$ 1,080,000		
Series "9U" U.S. $11,300,000 matured May 1, 1986	11,039,111		
Series "10G" 16,000,000 Swiss Francs matured March 15, 1987	6,256,262		
Series "10J" 7,200,000,000 Japanese Yen matured February 28, 1987	26,640,000		
Series "10Q" 1,500,000,000 Japanese Yen matured January 27, 1987	6,877,725		
Series "10R" 5,000,000 Swiss Francs matured May 18, 1986	2,825,245		
Series "10X" U.S. $14,000,000 matured May 1 & November 1, 1986	15,987,342		
Series "10Z" $177,173 matured March 31, 1987	177,173		
Series "AD" $100,000,000 matured May 15, 1986	100,000,000	$ 170,882,858	
Savings Bonds:			
Redeemed by registered holder prior to maturity:			
Series "9S"	$ 2,000		
"10S"	50,300		
"11S"	44,500		
"12S"	20,800	117,600	
Matured "9S"		901,100	$171,901,558
Canada Pension Plan:			
Series "CPP" matured May 3, 1986		$ 3,173,000	
matured June 1, 1986		2,913,000	
matured July 4, 1986		2,918,000	
matured August 3, 1986		2,231,000	
matured August 4, 1986		996,000	
matured September 1, 1986		2,892,000	
matured October 3, 1986		2,688,000	
matured November 1, 1986		2,741,000	
matured December 1, 1986		2,241,000	
matured January 4, 1987		3,424,000	
matured February 1, 1987		1,980,000	
matured March 2, 1987		3,788,000	31,985,000
Government of Canada:			
Series "GC"		$ 912,299	
Series "MW"		705,308	
Series "TP"		226,640	
Hydro Transmission Line Agreement		32,445,384	
Agricultural Service Centres Agreement		265,954	
Brandon Special Area Agreement		67,746	34,623,331
TOTAL DECREASE			$ 238,509,889
NET INCREASE			$ 1,159,421,111

GOVERNMENT OF THE PROVINCE OF MANITOBA

SUMMARY STATEMENT OF BORROWING TRANSACTIONS

For the Year Ended March 31, 1987
(with comparative figures for March 31, 1986)
(in thousands)

	March 31, 1987	March 31, 1986
DEBT ISSUED:		
FOR THE PURPOSE OF:		
General Government Programs	$ 718,680	$ 418,750
The Manitoba Hydro–Electric Board	305,054	389,522
The Manitoba Telephone System	67,514	50,000
Manfor Ltd.	33,222	45,400
The Manitoba Oil and Gas Corporation	10,000	–
The Manitoba Water Services Board	–	2,075
Manitoba Beef Stabilization Fund	16,600	11,000
Manitoba Hog Income Stabilization Plan	2,400	2,600
Manitoba Jobs Fund Programs	–	74,700
Energy Conservation Loan Fund	2,820	–
Tourism Agreement 1985–90	500	–
Venture Manitoba Tours	2,588	–
Various Municipalities	–	1
Funding advances previously made to:		
– The Manitoba Telephone System	65,600	55,000
– The Manitoba Agricultural Credit Corporation	37,725	61,005
– The Manitoba Housing and Renewal Corporation	–	5,376
– The Manitoba Water Services Board	–	3,405
	$ 1,262,703	$ 1,118,834
Refunding Matured Provincial Securities Re:		
– The Manitoba Hydro–Electric Board	29,400	170,062
– The Manitoba Telephone System	84,078	–
– Manitoba Jobs Fund Programs	21,750	–
Total Debt Issued	$ 1,397,931	$ 1,288,896
DEBT RETIRED:		
IN RELATION TO:		
General Government Programs	$ 63,405	$ 19,210
The Manitoba Hydro–Electric Board	54,267	208,698
The Manitoba Telephone System	88,214	37,127
Manitoba Data Services	484	574
Manitoba Jobs Fund Programs	30,924	–
The University of Manitoba	177	161
Various Municipalities	1,039	1,208
Total Debt Retired	$ 238,510	$ 266,978
Net Increase In Borrowings	$ 1,159,421	$ 1,021,918

GOVERNMENT OF THE PROVINCE OF MANITOBA

SINKING FUND INVESTMENTS
As at March 31, 1987

	Par Value	Cost	Sinking Funds Related to Securities Issued by Government Agencies	Sinking Funds Related to Securities Issued by the Province of Manitoba
Province of Manitoba Sinking Fund:			$ –	$ 923,091,981
Government of Canada Bonds	$ 65,306,000	$ 63,940,406		
Province of Alberta Debentures	549,000	545,157		
Province of Manitoba Debentures	129,136,911	126,607,990		
Province of New Brunswick Debentures	125,000	124,173		
Province of Nova Scotia Debentures	100,000	123,485		
Province of Quebec Debentures	1,775,000	1,767,291		
Province of Saskatchewan Debentures	22,000,000	20,436,100		
British Columbia Electric Company Limited Bonds	5,000	5,000		
British Columbia Hydro and Power Authority Bonds	29,251,000	27,710,313		
British Columbia Power Commission Bonds	25,000	25,000		
Manitoba Hydro–Electric Board Bonds	103,785,289	99,303,886		
Manitoba Telephone System Bonds	20,833,000	18,917,496		
Ontario Hydro Bonds	256,007,000	237,330,928		
Quebec Hydro–Electric Commission Bonds	70,805,000	69,305,201		
Quebec Auto Routes Authority Bonds	260,000	259,645		
Pacific Great Eastern Railway Bonds	450,000	450,000		
University of Manitoba Bonds	2,305,000	2,124,278		
Manitoba Hospital Bonds	7,320,000	7,051,019		
Manitoba Municipal and School Division Bonds	46,818,713	46,688,780		
	$ 756,856,913	$ 722,716,148		
Short term investments with the Minister of Finance		200,375,833		
		$ 923,091,981		
Manitoba Hydro–Electric Board Sinking Fund:			222,541,133	110,951,109
Government of Canada Bonds	$ 24,000,000	$ 23,796,250		
Province of Alberta Debentures	1,721,000	1,705,941		
Province of British Columbia Debentures	2,000,000	1,992,500		
Province of Manitoba Debentures	73,955,743	71,324,087		
Province of Saskatchewan Debentures	3,000,000	2,957,500		
British Columbia Hydro and Power Authority Bonds	15,000	10,434		
Manitoba Hydro–Electric Board Bonds	164,147,866	138,956,697		
Manitoba Telephone System Bonds	5,091,000	3,719,511		
Ontario Hydro Bonds	32,500,000	31,379,725		
Quebec Hydro Bonds	12,000,000	12,000,000		
University of Manitoba Bonds	250,000	255,000		
Chartered Bank – Guaranteed Securities	4,000,000	4,018,000		
	$ 322,680,609	$ 292,115,645		
Short term investments with the Minister of Finance		41,376,597		
		$ 333,492,242		
Manitoba Telephone System Sinking Fund:			37,052,296	13,960,487
Province of Manitoba Debentures	$ 13,253,000	$ 13,108,518		
Manitoba Hydro–Electric Board Bonds	2,338,000	2,120,402		
Manitoba Telephone System Bonds	28,849,000	24,434,897		
	$ 44,440,000	$ 39,663,817		
Short term investments with the Minister of Finance		11,348,966		
		$ 51,012,783		
Carried Forward			$ 259,593,429	$ 1,048,003,577

	Par Value	Cost	Sinking Funds Related to Securities Issued by Government Agencies	Sinking Funds Related to Securities Issued by the Province of Manitoba
Brought Forward			$ 259,593,429	$ 1,048,003,577
Manitoba Housing and Renewal Corporation Sinking Fund:			7,214,288	6,851,351
Province of Manitoba Debentures	$ 2,486,000	$ 2,445,619		
Manitoba Hydro-Electric Board Bonds	6,604,000	5,140,444		
Manitoba Telephone System Bonds	1,422,000	1,005,715		
	$ 10,512,000	$ 8,591,778		
Short term investments with the Minister of Finance		5,473,861		
		$ 14,065,639		
Manitoba Water Services Board Sinking Fund:			716,376	—
Manitoba Hydro-Electric Board Bonds	$ 36,000	$ 28,861		
Short term investments with the Minister of Finance		687,515		
		$ 716,376		
University of Manitoba Sinking Fund:			12,277,767	—
Province of Alberta Debentures	$ 730,000	$ 723,612		
Province of Manitoba Debentures	232,000	197,453		
Manitoba Hydro-Electric Board Bonds	3,819,000	3,092,188		
Manitoba Telephone System Bonds	830,000	603,103		
University of Manitoba Bonds	3,537,000	2,510,395		
	$ 9,148,000	$ 7,126,751		
Short term investments with the Minister of Finance		5,151,016		
		$ 12,277,767		
			$ 279,801,860	$ 1,054,854,928

NOTE 1: The investments shown in the Province of Manitoba Sinking Fund are net of the amortization of investment discounts and premiums. The investments of the remaining sinking funds are shown at cost and do not reflect any amortization of investment discounts or premiums. If the investments were to be shown at par value, the value of the respective sinking funds would be as follows:

	Sinking Funds Related to Securities Issued by Government Agencies	Sinking Funds Related to Securities Issued by the Province of Manitoba
Province of Manitoba Sinking Fund	$ –	$ 957,232,746
Manitoba Hydro-Electric Board Sinking Fund	242,937,295	121,119,911
Manitoba Telephone System Sinking Fund	40,521,398	15,267,568
Manitoba Housing and Renewal Corporation Sinking Fund	8,199,173	7,786,688
Manitoba Water Services Board Sinking Fund	723,515	–
University of Manitoba Sinking Fund	14,299,016	–
	$ 306,680,397	$ 1,101,406,913

GOVERNMENT OF THE PROVINCE OF MANITOBA
SINKING FUND TRANSACTIONS
For the Year Ended March 31, 1987

Series	Amount of Issue Outstanding March 31, 1987	Maturity Date	Sinking Fund Balance March 31, 1986	Provincial Allocations	Crown Corporations And Agencies Contributions	Transfers	Withdrawals	Sinking Fund Balance March 31, 1987
PROVINCE OF MANITOBA DEBENTURES:								
9G	$ 10,000,000	Jan. 1996	$ 191,000	$ 20,067	$ –	$ (20,067)	$ –	$ 191,000
9J	53,613,647	Nov. 1993	12,705,101	–	1,044,340	–	–	13,749,441
9K	37,692,104	Apr. 1994	8,226,125	–	705,966	–	–	8,932,091
9L	3,240,000	June 1987–89	968,462	–	81,938	–	(255,933)	794,467
9M	53,734,680	Nov. 1994	11,727,342	–	1,006,440	–	–	12,733,782
9R	31,000,000	Oct. 1993	4,658,000	–	496,320	–	–	5,154,320
9U	12,406,789	May 1994	3,161,996	–	360,939	–	(1,658,715)	1,864,220
9X	20,000,000	Dec. 1999	7,086,485	902,852	153,946	–	–	8,143,283
10D	20,137,500	Nov. 1995	2,417,730	–	298,084	–	–	2,715,814
10G	6,256,262	Mar. 1988	3,444,044	737,228	–	4,165,626	(6,256,262)	2,090,636
10J	–	Feb. 1987	5,580,241	309,085	336,875	(36,836)	(6,189,365)	–
10L	29,901,600	May 1992	6,762,692	1,607,577	–	–	–	8,370,269
10Q	41,266,350	Jan. 1988–90	4,412,821	–	657,954	–	(727,855)	4,342,920
10R	42,378,675	May 1993	3,634,948	–	597,437	–	(260,324)	3,972,061
10T	16,700,000	May 1996	1,013,225	–	3,109,253	–	–	4,122,478
10V	75,000,000	Dec. 1988	5,923,721	–	986,949	–	–	6,910,670
10W	89,450,600	Mar. 1989	27,242,548	5,545,784	–	–	–	32,788,332
10X	41,110,332	May 1987–89	9,376,077	2,010,595	–	10,661,795	(15,987,342)	6,061,125
10Z	4,203,811	Mar. 1988–99	112,250	11,794	11,365	(11,794)	–	123,615
11A	5,000,000	Aug. 1999	344,595	–	63,784	–	–	408,379
11D	110,000,000	Mar. 1991	5,957,955	–	1,338,318	–	–	7,296,273
11E	179,861,085	July 1991	15,087,570	3,262,100	1,262,454	–	–	19,612,124
11F	63,760,000	Feb. 1992	5,314,873	1,141,684	451,331	–	–	6,907,888
11G	75,000,000	Mar. 1988	3,184,848	–	877,394	–	–	4,062,242
11H	242,600,800	Mar. 1997	35,234,088	10,979,929	–	–	–	46,214,017
11J	40,000,000	Mar. 1992	1,698,586	–	467,943	–	–	2,166,529
11K	75,317,505	July 1988–92	7,782,080	3,077,158	–	–	–	10,859,238
11L	122,741,073	Sept. 1989	8,256,772	2,507,342	690,335	–	–	11,454,449
11M	150,000,000	Oct. 1987	10,811,551	3,472,744	731,162	–	–	15,015,457
11N	153,407,000	Nov. 1989	11,425,845	3,760,540	690,248	–	–	15,876,633
11P	58,127,800	Nov. 1992	5,799,330	2,293,146	–	–	–	8,092,476
11Q	60,180,000	Mar. 1993	6,218,018	2,458,702	–	–	–	8,676,720
11R	275,000,000	Mar. 1993	6,212,400	–	2,498,496	–	–	8,710,896
11T	100,366,000	May 1993	6,481,402	3,691,955	–	–	–	10,173,357
11U	76,920,000	June 1989–93	4,967,314	2,829,496	–	–	–	7,796,810
11V	51,540,000	Apr. 1988–93	3,328,333	1,895,895	–	–	–	5,224,228
AA	123,081,000	June 1990	7,948,284	4,527,525	–	–	–	12,475,809
AB	58,350,000	Nov. 1993	3,768,107	2,146,400	–	–	–	5,914,507
AC	116,700,000	Nov. 1988	2,380,680	–	1,262,227	–	–	3,642,907
AD	–	May 1986	14,303,472	1,363,491	703,040	(710,003)	(15,660,000)	–
AE	84,975,000	Mar. 1990–94	5,487,488	3,125,798	–	–	–	8,613,286
AF	50,000,000	Apr. 1994	1,500,000	1,657,599	–	–	–	3,157,599
AG	55,892,600	May 1989–94	1,676,778	1,852,950	–	–	–	3,529,728
AH	57,240,000	June 1994	572,400	–	595,296	–	–	1,167,696
AJ	81,165,000	July 1989–94	2,434,950	2,690,780	–	–	–	5,125,730
AK	50,000,000	Aug. 1994	1,500,000	1,657,599	–	–	–	3,157,599
AL	86,900,000	Oct. 1994	2,607,000	2,880,907	–	–	–	5,487,907
AM	131,670,000	Oct. 1994	3,950,100	4,365,121	–	–	–	8,315,221
AN	150,000,000	May 1995	–	3,000,000	500,000	–	–	3,500,000
AP	106,380,000	Apr. 1991–95	–	–	1,083,800	–	–	1,083,800
AQ	106,156,000	June 1997	–	–	1,061,560	–	–	1,061,560
AS	101,960,000	Nov. 1995	–	3,058,800	–	–	–	3,058,800
AT	100,890,000	Nov. 1990–95	6,373,835	669,673	5,624,945	(669,673)	–	11,998,780
AU	50,000,000	Nov. 1995	–	–	23,351,687	–	–	23,351,687
AV	175,562,500	Feb. 1991	–	165,000	1,700,625	–	–	1,865,625
CU	29,500,000	July 1987	3,048,048	1,205,246	–	–	–	4,253,294
PROVINCE OF MANITOBA SAVINGS BONDS:								
9S	–	June 1986	359,244	64,837	–	479,019	(903,100)	–
10S	1,009,600	June 1987	358,808	69,495	–	29,974	(50,300)	407,977
11S	913,400	June 1988	271,717	57,285	–	29,216	(44,500)	313,718
12S	520,100	July 1989	125,950	29,480	–	14,824	(20,800)	149,434
PROVINCE OF MANITOBA DEBENTURES – CANADA PENSION PLAN:								
CPP	1,794,620,000	1987–07	505,159,694	96,223,201	20,637,186	(17,884,647)	(31,985,000)	572,150,434
PROVINCE OF MANITOBA DEBENTURES AND LOANS – GOVERNMENT OF CANADA:								
GC	8,450,316	1987–99	–	280,878	–	631,420	(912,298)	–
TP	3,588,653	Apr. 1987–98	3,915,293	465,590	–	(465,590)	(226,640)	3,588,653
Hydro Transmission Line	116,546,717	Mar. 1988–09	12,136,105	–	1,975,365	–	(1,383,812)	12,727,658
Agricultural Service Centres	6,119,096	Apr. 1987–03	145,704	15,308	–	(15,308)	(2,445)	143,259
GENERAL SINKING FUND			35,071,153	3,042,533	1,088,290	3,802,044	–	43,004,020
			$ 871,725,178	$ 187,131,149	$78,503,292	$ –	$ (82,504,691)	$1,054,854,928

GOVERNMENT OF THE PROVINCE OF MANITOBA

OUTSTANDING BORROWING AUTHORITY

as at March 31, 1987
(in thousands)

Appropriation Acts:			
General Government Programs	1985	$ 871	
	1986	301,528	$ 302,399
Loan Acts:			
Agricultural Service Centres Agreement	1978		$ 2,236
Communities Economic Development Fund –			
(for guarantees)	1972(1)	$ 900	
(for guarantees)	1973	500	
	1982(2)	100	
	1985	1,700	
	1986(2)	1,600	4,800
The Co-operative Loans and Loans Guarantee Board –			
(for guarantees)	1980	$ 1,000	
	1984(2)	430	1,430
The Emergency Interest Rate Relief Program	1985		1,750
Energy Conservation Loan Fund	1986(2)		47,180
The Horse Racing Commission	1984(2)		400
Manfor Ltd.	1986(2)		13,500
The Manitoba Agricultural Credit Corporation	1985	$ 7,963	
	1986	7,500	
	1986(2)	5,000	20,463
Manitoba Data Services	1979		4,000
Manitoba Development Corporation	1973	$ 4,423	
	1975	20,400	
	1976	19,600	
	1985	8,500	
	1986	65,000	117,923
The Manitoba Energy Authority	1984		1,875
Manitoba Hazardous Waste Management Corporation	1986(2)		2,440
The Manitoba Hospital Capital Financing Authority	1972(2)	$ 23,511	
	1974	18,000	41,511
The Manitoba Housing and Renewal Corporation	1985	$ 77,273	
	1986(2)	70,800	148,073
The Manitoba Hydro-Electric Board – Limestone	1985	$ 763,755	
	1986(2)	940,000	1,703,755
Manitoba Jobs Fund	1985	$ 48,062	
	1986(2)	40,000	88,062
Manitoba Mineral Resources Ltd.	1984(2)		7,062
The Manitoba Oil and Gas Corporation	1983(2)		5,000
Manitoba Properties Inc.	1986(2)		37,500
The Manitoba Water Services Board	1984(2)	$ 5,600	
	1985	8,500	14,100
Small Business Loans Fund	1986(2)		10,000
Tourism Agreement 1985-90	1986(2)		7,500
The University of Manitoba	1986(2)		8,175
Venture Manitoba Tours Ltd.	1986(2)		1,412
			$ 2,290,147
Other Additional Borrowing Authority:			
The Loan Act, 1985 – Section 3(1)			$ 100,000
The Loan Act, 1986(2) – Section 3(1)			100,000
			$ 200,000
Total Outstanding Borrowing Authority			$ 2,792,546

Refer to notes on following page relating to borrowing authority encumbrances and unexpended funds raised for purchasing shares of various Crown Corporations.

NOTES: 1. Borrowing authority has been encumbered for guarantees provided by Crown Corporations, Agencies, Boards and Commissions relating to loans, performance bonds and bank lines of credit and for future commitments as follows:

	(in thousands)
Communities Economic Development Fund	$ 64
The Co-operative Loans and Loans Guarantee Board	90
Manitoba Jobs Fund	2,483
Manitoba Development Corporation	49,000
The Manitoba Telephone System	23,000
	$ 74,637

2. In addition to the above, the Province has raised funds and abated the borrowing authority for the purpose of purchasing shares of various Crown Corporations. As at March 31, 1987, $7,600,000 of these funds were unexpended and available for the purpose of purchasing the following shares:

Manitoba Mineral Resources Ltd.	$ 1,000,000
The Manitoba Oil and Gas Corporation	6,600,000
	$ 7,600,000

GOVERNMENT OF THE PROVINCE OF MANITOBA

FINANCIAL COMMITMENTS

As at March 31, 1987

	MARCH 31, 1987	MARCH 31, 1986
	(in thousands)	
1. HOSPITALS AND PERSONAL CARE HOMES		
Hospitals and personal care homes have obtained financing for capital construction by issuing debentures, or arranging for mortgages or long-term bank loans. The Hospital Capital Financing Authority, which was established in 1972, approves the issue of all securities and assists in obtaining an orderly market for the sale of the securities to finance these capital expenditures. Although this indebtedness is not guaranteed by the Government, funds required for the payment of principal and interest related to the approved capital debt incurred for the construction and acquisition of facilities for the provision of insured services are included in the expenditure of the Manitoba Health Services Commission. The main source of Commission funds is from the Consolidated Fund of the Province of Manitoba. The amounts at right include $23,191,636 ($20,519,000 as at March 31, 1986) National Housing Act mortgages which are subsidized by the Canada Mortgage and Housing Corporation. $59,389,000 ($63,838,000 as at March 31, 1986) were held in investment accounts managed by the Minister of Finance.	$ 362,102	$ 297,848
In addition to the approved outstanding debt, lines of credit up to $100,000,000 ($126,505,000 as at March 31, 1986) have been approved to finance capital projects currently in process. On completion of these projects, the borrowings will be converted to long-term debt.		
2. PUBLIC SCHOOLS		
School Divisions have obtained long term financing for capital construction projects by issuing debentures. Although these debentures are not guaranteed by the Government, funds required for payment of the principal and interest related to the capital debt incurred for the construction and acquisition of facilities approved by the Public Schools Finance Board are mainly provided from the Consolidated Fund of the Province of Manitoba. Of the $219,125,000 outstanding at December 31, 1986, $218,733,000 ($212,723,000 as at December 31, 1985) represented debt issued with Public Schools Finance Board approval and for which funds for debt servicing is mainly provided from the Consolidated Fund, and $218,655,000 ($212,319,000 as at December 31, 1985) were held in investment accounts managed by the Minister of Finance.	219,125	213,171
3. MANITOBA HOUSING AND RENEWAL CORPORATION		
The amounts owing at right to the Canada Mortgage and Housing Corporation are not guaranteed by the Government. Servicing of this indebtedness is partially covered from appropriation payments made in respect of provincial housing subsidies for low income earners.	230,743	231,711
4. MANITOBA WATER SERVICES BOARD		
The amounts owing at right to the Canada Mortgage and Housing Corporation are not guaranteed by the Government but payments are required from appropriations on account of partial servicing of this indebtedness.	2,392	2,517
5. BRANDON COLLEGE INCORPORATED (Brandon University)		
The Province has agreed to service two mortgages obtained by Brandon University from Canada Mortgage and Housing Corporation.	2,698	2,728
6. MANITOBA ARTS COUNCIL		
The Government has committed that the annual grant to the Manitoba Arts Council will not be less than $15,000 through the 1993/94 fiscal year so that the Manitoba Arts Council can provide the Winnipeg Symphony Orchestra Inc. with funds to enable it to repay the loan amounts at right.	105	120
	$ 817,165	$ 748,095

GOVERNMENT OF THE PROVINCE OF MANITOBA

CONTINGENT LIABILITIES

As at March 31, 1987

1. By authority of the Elderly Persons Housing Act, the principal balance of mortgages made by Canada Mortgage and Housing Corporation guaranteed by the Province amounted to $1,035,899 as at March 31, 1987.

2. Pursuant to Orders-in-Council 825/80, 1345/82 and 206/84, agreements have been signed with the Canadian Indemnity Company and The Continental Insurance Company for the Province to guarantee up to a maximum of $20,000,000, and $33,000,000 respectively; an aggregate guarantee of $53,000,000 of Flyer Industries Limited performance bonds on contracts to supply buses for various transit organizations. Subsequent to March 31, 1987, the aforementioned Orders-in-Council were rescinded as this guarantee of performance bonds is now deemed to be covered under the guarantee provided by the Government to the purchaser of Flyer Industries Limited in July, 1987 guaranteeing all the obligations of Manitoba Development Corporation arising out of the sale of Flyer Industries Limited.

3. Pursuant to Order-in-Council 287/80, the Province is authorized to guarantee up to a maximum of $150,000,000 Promissory Notes issued by The Manitoba Hydro-Electric Board for temporary purposes. The amount of such Notes outstanding as at March 31, 1987 was $25,000,000.

4. Pursuant to Order-in-Council 150/81, the Province is authorized to guarantee up to a maximum of $25,000,000 Promissory Notes issued by The Manitoba Telephone System for temporary purposes. As at March 31, 1987, no such Notes were outstanding.

5. There is currently a case before the courts of the Province brought against the Government of Manitoba by Somerville-Belkin Industries Ltd. Subsequent to March 31, 1987 a judgement was made in favour of the plaintiff in the approximate amount of $578,000 plus interest and costs. The judgement is being appealed.

6. The Province has been authorized to guarantee the following loans and bank lines of credit:

Purpose	Order-in-Council	Maximum Guarantee	Principal Amount Outstanding Under Guarantee As at March 31, 1987
Channel Area Loggers Ltd.	320/73	500,000	80,000
The Long Point Development Corp.	16/85	20,000	–
Manitoba Data Services	204/81	500,000	–
Manitoba Hog Income Insurance Plan	446/82	5,000,000	–
The Manitoba Housing and Renewal Corporation	10/78 & 1264/82	2,000,000	445,240
Moose Lake Loggers Inc.	640/71	500,000	70,000
University of Manitoba	527/81	2,500,000	–
Venture Manitoba Tours Ltd.	1095/77, 1255/77, 838/84, 305/85 & 1381/85	1,250,000	1,051,000
Norway House Local Fur Council	496/77	5,000	–
Northwest Child and Family Services Agency	461/85	250,000	250,000
		$ 12,525,000	$ 1,896,240

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GOVERNMENT OF THE PROVINCE OF MANITOBA

SUMMARY OF REVENUE AND EXPENDITURE

For the Year Ended March 31, 1987
(with comparative figures for March 31, 1986)

Net Budgetary Requirement

Actual 1985–1986	Actual 1986–1987	Net Increase (Decrease)		1986–1987 Actual	1986–1987 Estimated	1986–1987 Variance
$ 3,644,887,921	$ 3,945,577,455	$ 300,689,534	Expenditure	$ 3,945,577,455	$ 3,869,606,900	$ 75,970,555
3,116,616,816	3,386,518,845	269,902,029	Revenue	3,386,518,845	3,380,206,300	6,312,545
$ 528,271,105	$ 559,058,610	$ 30,787,505	Net Budgetary Requirement	$ 559,058,610	$ 489,400,600	$ 69,658,010
			Net Operating Position			
$ 528,271,105	$ 559,058,610	$ 30,787,505	Net Budgetary Requirement	$ 559,058,610	$ 489,400,600	$ 69,658,010
276,654,528	249,293,197	(27,361,331)	Less: Gross Capital Expenditures	249,293,197	265,797,100	(16,503,903)
$ 251,616,577	$ 309,765,413	$ 58,148,836	Net Operating Requirement	$ 309,765,413	$ 223,603,500	$ 86,161,913

NOTE 1: The "Estimated" Expenditure shown above consists only of the Main and Supplementary Estimates. This amount was increased during the fiscal year as follows:

Main and Supplementary Estimates (including general statutory appropriations)	$ 3,869,606,900
Special Warrants	94,550,300
Adjustment of estimated amount of statutory appropriations to actual expenditure	73,774,177
Total Authorized Expenditure	$ 4,037,931,377

NOTE 2: The amounts shown for Gross Capital Expenditures are the total amounts expended without any reduction for related revenues. Revenue for the fiscal years 1985–86 and 1986–87 includes Revenue Related to Capital of $18.6 million and $10.4 million respectively.

GOVERNMENT OF THE PROVINCE OF MANITOBA
STATEMENT OF REVENUE

For the Year Ended March 31, 1987
(with comparative figures for March 31, 1986)

Actual 1985–1986	1986–1987	Increase (Decrease)		1986–1987 Refunds	1986–1987 Actual	1986–1987 Estimated	Variance
			TAXATION:				
			Consumer and Corporate Affairs:				
$ 16,678,005	$ 19,423,867	$ 2,745,862	Insurance Corporations Tax	$ 310,790	$ 19,423,867	$ 17,200,000	$ 2,223,867
			FINANCE:				
			Canada–Manitoba Income Tax Collection Agreement				
126,538,818	119,358,367	(7,180,451)	Corporation Income Tax	–	119,358,367	146,500,000	(27,141,633)
649,698,639	760,143,574	110,444,935	Individual Income Tax	257,117	760,143,574	719,700,000	40,443,574
29,628,583	40,571,178	10,942,595	Corporation Capital Tax	1,566,235	40,571,178	41,100,000	(528,822)
114,809,590	115,908,810	1,099,220	Gasoline Tax	2,206,018	115,908,810	115,179,034	729,776
118,850,387	126,578,471	7,728,084	Levy for Health and Post Secondary Education	658,094	126,578,471	123,500,000	3,078,471
			Manitoba Succession Duty and				
78,548	100,823	22,275	Gift Tax	–	100,823	78,800	22,023
359	186	(173)	Mineral Acreage Tax	–	186	–	186
76,723	74,985	(1,738)	Mining Claim Lease Tax	–	74,985	76,500	(1,515)
13,738,676	48,106,236	34,367,560	Mining Tax	–	48,106,236	35,600,000	12,506,236
49,661,951	57,037,649	7,375,698	Motive Fuel Tax	14,092,233	57,037,649	60,681,638	(3,643,989)
14,293,355	7,249,097	(7,044,258)	Oil and Natural Gas Tax	52,452	7,249,097	7,000,000	249,097
5,325,482	5,131,351	(194,131)	Pari Mutuel Tax	–	5,131,351	5,051,312	80,039
442,688,928	469,163,018	26,474,090	Retail Sales Tax	5,858,021	469,163,018	471,135,309	(1,972,291)
34,176,242	32,657,925	(1,518,317)	Revenue Act, 1964, Part I	1,208,615	32,657,925	34,515,517	(1,857,592)
77,761,207	91,798,884	14,037,677	Tobacco Tax	182,435	91,798,884	97,638,685	(5,839,801)
16,507,643	13,407,473	(3,100,170)	Reciprocal Taxation Agreement	–	13,407,473	18,100,000	(4,692,527
$ 1,710,513,136	$ 1,906,711,894	$ 196,198,758	TOTAL REVENUE FROM TAXATION	$ 26,392,010	$ 1,906,711,894	$ 1,893,056,795	$ 13,655,099
			OTHER REVENUE:				
			LEGISLATION:				
$ 679,845	$ 770,140	$ 90,295	Audit and Accounting Fees	$ –	$ 770,140	$ 710,700	$ 59,440
157,555	171,303	13,748	Contributions to Legislative Assembly Retirement Allowances Fund	–	171,303	164,000	7,303
35,893	26,793	(9,100)	Private Bills	599	26,793	28,000	(1,207)
20	29,873	29,853	Sundry	–	29,873	–	29,873
			EXECUTIVE COUNCIL:				
250,041	102,512	(147,529)	Sundry	–	102,512	100	102,412
			AGRICULTURE:				
1,440,673	1,660,022	219,349	Fees	1,673	1,660,022	1,676,500	(16,478)
5,617,187	6,862,955	1,245,768	Sundry	4,483	6,862,955	6,232,000	630,955
			ATTORNEY-GENERAL:				
2,852,652	3,282,339	429,687	Law Fees	33,807	3,282,339	2,574,963	707,376
5,838,792	6,291,963	453,171	Fines and Costs	–	6,291,963	6,330,000	(38,037)
11,851,700	14,871,857	3,020,157	Land Titles Fees	–	14,871,857	11,500,000	3,371,857
Carried Forward							
$ 28,724,358	$ 34,069,757	$ 5,345,399		$ 40,562	$ 34,069,757	$ 29,216,263	$ 4,853,494

Actual 1985–1986	1986–1987	Increase (Decrease)		1986–1987 Refunds	1986–1987 Actual	1986–1987 Estimated	Variance
Brought Forward $ 28,724,358	$ 34,069,757	$ 5,345,399		$ 40,562	$ 34,069,757	$ 29,216,263	$ 4,853,494
1,064,492	–	(1,064,492)	Legal Aid	–	–	–	–
846,967	1,027,672	180,705	Municipalities Shared Cost Receipts	–	1,027,672	1,038,000	(10,328)
1,671,271	2,281,993	610,722	Personal Property Security Registry	–	2,281,993	1,999,000	282,993
2,291,510	2,566,927	275,417	Public Trustee	500	2,566,927	2,129,000	437,927
45,011	43,264	(1,747)	Unsatisfied Judgement Fund Recoveries	629	43,264	75,000	(31,736)
401,732	517,212	115,480	Sundry	9,068	517,212	444,000	73,212
139,424,068	141,862,186	2,438,118	Liquor Control Commission	–	141,862,186	145,000,000	(3,137,814)
			BUSINESS DEVELOPMENT AND TOURISM:				
16,693	14,090	(2,603)	Travel Manitoba	–	14,090	15,500	(1,410)
46,647	54,415	7,768	Sundry	115	54,415	50,000	4,415
			CIVIL SERVICE:				
–	170	170	Worker's Compensation Recovery	–	170	–	170
–	675	675	Sundry	–	675	–	675
			COMMUNITY SERVICES:				
926,214	1,117,628	191,414	Vital Statistics Certificates	34,139	1,117,628	1,100,000	17,628
466,108	616,819	150,711	Fees	–	616,819	450,000	166,819
1,765,525	2,575,015	809,490	Sundry	1,045	2,575,015	2,270,000	305,015
			CONSUMER AND CORPORATE AFFAIRS:				
1,659,958	1,903,519	243,561	Corporate and Business Fees	857	1,903,519	1,650,000	253,519
352,415	356,412	3,997	Insurance Act Fees	170	356,412	345,000	11,412
133,766	165,549	31,783	Permits and Licences	8,324	165,549	130,000	35,549
563,460	609,623	46,163	Public Utilities Board Fees	324	609,623	541,000	68,623
678,853	944,587	265,734	Securities and Real Estate Agents Act Fees	8,035	944,587	590,000	354,587
15,123	4,194	(10,929)	Sundry	–	4,194	3,000	1,194
			CO-OPERATIVE DEVELOPMENT:				
9,423	10,302	879	Fees	123	10,302	6,100	4,202
16,822	17,564	742	Sundry	–	17,564	20,000	(2,436)
			CROWN INVESTMENTS:				
–	705,000	705,000	Sundry	–	705,000	–	705,000
			CULTURE, HERITAGE AND RECREATION:				
91,431	87,005	(4,426)	Manitoba Film Classification Board	–	87,005	124,200	(37,195)
247,768	268,598	20,830	Manitoba Gazette	8,347	268,598	245,000	23,598
115,098	83,126	(31,972)	Provincial Archives	37	83,126	99,000	(15,874)
581,075	833,989	252,914	Queen's Printer – Operating	2,648	833,989	833,100	889
54,632	47,905	(6,727)	Sundry	–	47,905	17,700	30,205
			EDUCATION:				
3,547,019	3,877,829	330,810	Fees	12,927	3,877,829	3,925,000	(47,171)
4,415,618	5,423,056	1,007,438	Sundry	2,781	5,423,056	4,636,900	786,156
			EMERGENCY INTEREST RATE RELIEF:				
193,807	366,352	172,545	Loan Interest Revenue	2,209	366,352	275,000	91,352
			EMPLOYMENT SERVICES AND ECONOMIC SECURITY:				
188,734	197,170	8,436	Levy for Local Government Welfare Purposes in Unorganized Territory	–	197,170	186,000	11,170
2,352,317	2,375,832	23,515	Sundry	51,538	2,375,832	2,239,300	136,532

			ENERGY AND MINES:				
1,907,535	1,596,239	(311,296)	Minerals	4,334	1,596,239	1,509,300	86,939
8,929,538	3,452,651	(5,476,887)	Petroleum	7,792	3,452,651	3,566,300	(113,649)
45,942	111,988	66,046	Sundry	51	111,988	14,000	97,988
			ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH:				
2,357,249	2,192,211	(165,038)	Sundry	–	2,192,211	2,358,600	(166,389)
			FINANCE:				
7,347,997	2,119,035	(5,228,962)	Refund of Prior Years' Expenditures	14,808	2,119,035	1,000,000	1,119,035
334,221	122,662	(211,559)	Sundry	11,914	122,662	425,000	(302,338)
			GOVERNMENT SERVICES:				
			Boards, Commissions and Government				
1,009,859	1,018,322	8,463	Agencies Receipts	–	1,018,322	1,023,000	(4,678)
2,424,035	2,230,165	(193,870)	Rentals from Various Government Properties	318	2,230,165	2,402,600	(172,435)
2,259	11,281	9,022	Winnipeg Core Area Agreement	–	11,281	–	11,281
595,841	637,214	41,373	Sundry	50	637,214	687,300	(50,086)
			HEALTH:				
1,722,328	3,660,313	1,937,985	Sundry	27,121	3,660,313	3,071,400	588,913
			HIGHWAYS AND TRANSPORTATION:				
			Automobile and Motor Carrier				
28,672,688	31,475,074	2,802,386	Licences and Fees	2,664,644	31,475,074	30,320,600	1,154,474
5,046,389	5,730,591	684,202	Drivers' Licences	11,920	5,730,591	5,866,146	(135,555)
194,810	157,325	(37,485)	Licence Suspension Appeal Board	8,505	157,325	200,000	(42,675)
960,305	1,529,420	569,115	Municipalities Shared Cost Receipts	10,416	1,529,420	835,000	694,420
3,426,755	2,001,367	(1,425,388)	Sundry	8,386	2,001,367	1,706,400	294,967
			HOUSING:				
20	2,505	2,485	Administration Fees, Rentalsman	–	2,505	9,000	(6,495)
			C.M.H.C. (Residential Rehabilitation				
284,270	119,885	(164,385)	Assistance Program)	–	119,885	308,500	(188,615)
13,800	4,500	(9,300)	Manitoba Hydro	–	4,500	25,000	(20,500)
1,901,591	1,972,570	70,979	Property Administration	–	1,972,570	1,971,100	1,470
97,266	115,977	18,711	Rural and Northern Recovery	–	115,977	90,200	25,777
–	389,824	389,824	C.M.H.C. (Delivery Fees)	–	389,824	–	389,824
12,801	25,734	12,933	Sundry	161	25,734	–	25,734
			INDUSTRY, TRADE AND TECHNOLOGY:				
129,864	117,222	(12,642)	Sundry	1,000	117,222	25,000	92,222
			LABOUR:				
1,237,191	1,289,196	52,005	Permits and Licences	3,788	1,289,196	1,047,000	242,196
1,736,142	1,574,361	(161,781)	Sundry	1,260	1,574,361	1,605,000	(30,639)
			MUNICIPAL AFFAIRS:				
169,759	216,330	46,571	Fees	1,105	216,330	158,000	58,330
4,673,120	4,786,146	113,026	Municipalities Shared Cost Receipts	–	4,786,146	5,187,300	(401,154)
2,563	1,575	(988)	Sundry	–	1,575	3,000	(1,425)
Carried Forward							
$ 268,144,053	$ 273,687,118	$ 5,543,065		$ 2,961,951	$ 273,687,118	$ 265,067,809	$ 8,619,309

Actual 1985–1986	1986–1987	Increase (Decrease)		1986–1987 Refunds	1986–1987 Actual	1986–1987 Estimated	Variance
Brought Forward							
$ 268,144,053	$ 273,687,118	$ 5,543,065		$ 2,961,951	$ 273,687,118	$ 265,067,809	$ 8,619,309
			NATURAL RESOURCES:				
1,828,740	1,879,537	50,797	Fisheries	16,810	1,879,537	1,826,430	53,107
3,068,197	2,965,596	(102,601)	Forestry	16,184	2,965,596	2,612,600	352,996
479,724	439,327	(40,397)	Lands	75,336	439,327	452,200	(12,873)
–	72,304	72,304	Municipalities Shared Cost Receipts	–	72,304	18,000	54,304
4,644,586	4,880,748	236,162	Parks	23,421	4,880,748	5,196,000	(315,252)
16,668,131	32,062,100	15,393,969	Water Resources	–	32,062,100	31,267,400	794,700
2,249,497	2,523,410	273,913	Wildlife	26,788	2,523,410	2,323,827	199,583
597,416	694,283	96,867	Sundry	1,445	694,283	541,100	153,183
			NORTHERN AFFAIRS:				
457,016	445,728	(11,288)	Sundry	19,531	445,728	300,000	145,728
			URBAN AFFAIRS:				
5,772	2,889	(2,883)	Agreement for Recreation and Conservation Sundry	–	2,889	5,800	(2,911)
995,654	715,626	(280,028)	Winnipeg Core Area Agreement	–	715,626	846,000	(130,374)
$ 299,138,786	$ 320,368,666	$ 21,229,880	TOTAL OTHER REVENUE	$ 3,141,466	$ 320,368,666	$ 310,457,166	$ 9,911,500
			GOVERNMENT OF CANADA:				
$ 1,192,505	$ 542,535	$ (649,970)	Agriculture	$ –	$ 542,535	$ 236,300	$ 306,235
2,319,649	5,027,149	2,707,500	Attorney–General	33,263	5,027,149	4,808,700	218,449
512,248	794,050	281,802	Business Development and Tourism	–	794,050	1,050,500	(256,450)
56,037,340	63,763,066	7,725,726	Community Services	–	63,763,066	58,140,000	5,623,066
109,520	151,128	41,608	Culture, Heritage and Recreation	–	151,128	100,000	51,128
28,069,012	28,012,828	(56,184)	Education	–	28,012,828	29,023,800	(1,010,972)
100,847,416	103,188,539	2,341,123	Employment Services and Economic Security	–	103,188,539	103,666,900	(478,361)
4,214,916	4,071,302	(143,614)	Energy and Mines	–	4,071,302	4,000,000	71,302
68,539	22,958	(45,581)	Environment and Workplace Safety and Health	–	22,958	342,800	(319,842)
376,784	368,158	(8,626)	Government Services	–	368,158	444,600	(76,442)
7,159,961	9,576,058	2,416,097	Health	–	9,576,058	7,312,400	2,263,658
1,489,571	1,614,308	124,737	Highways and Transportation	–	1,614,308	1,821,000	(206,692)
107,152	6,039	(101,113)	Industry, Trade and Technology	–	6,039	200,000	(193,961)
295,345	217,988	(77,357)	Labour	–	217,988	310,000	(92,012)
1,078,071	1,006,613	(71,458)	Natural Resources	–	1,006,613	684,200	322,413
7,038,005	6,840,149	(197,856)	Northern Affairs	–	6,840,149	7,995,300	(1,155,151)
1,007,396	715,625	(291,771)	Urban Affairs	–	715,625	858,400	(142,775)
227,672	1,225,719	998,047	Flood Control and Emergency Expenditures	–	1,225,719	500,000	725,719
			FINANCE:				
470,253,000	508,359,000	38,106,000	Equalization	–	508,359,000	510,800,000	(2,441,000)
410,134,000	418,209,000	8,075,000	Established Programs Cash Transfer	–	418,209,000	434,000,000	(15,791,000)
2,192,784	2,192,784	–	Government of Canada Subsidy	–	2,192,784	2,200,000	(7,216)
103,931	8,518	(95,413)	Share of Federal Oil Export Tax	–	8,518	300,000	(291,482)
$ 1,094,834,817	$ 1,155,913,514	$ 61,078,697	TOTAL GOVERNMENT OF CANADA	$ 33,263	$ 1,155,913,514	$ 1,168,794,900	$ (12,881,386)
$ 3,104,486,739	$ 3,382,994,074	$ 278,507,335	TOTAL REVENUE–CURRENT OPERATING PROGAMS	$ 29,566,739	$ 3,382,994,074	$ 3,372,308,861	$ 10,685,213

				REVENUES RELATED TO CAPITAL:				
				OTHER REVENUE:				
				GOVERNMENT SERVICES:				
$ –	$ –	$ –		North Portage Development	$ –	$ –	$ 1,000,000	$ (1,000,000)
				HIGHWAYS AND TRANSPORTATION:				
726,043	1,030,441	304,398		Municipalities Shared Cost Receipts	40	1,030,441	925,000	105,441
2,109,246	1,200,000	(909,246)		Sundry	–	1,200,000	700,000	500,000
				NATURAL RESOURCES:				
482,669	565,799	83,130		Lands	19,458	565,799	600,000	(34,201)
				URBAN AFFAIRS:				
				Agreement for Recreation and Conservation				
90,207	–	(90,207)		Special Projects	–	–	50,000	(50,000)
2,127,773	1,652,823	(474,950)		Winnipeg Core Area Agreement	–	1,652,823	1,990,800	(337,977)
13,789	5,652	(8,137)		Land Sales – North Logan Redevelopment	–	5,652	–	5,652
42,625	27,665	(14,960)		Sundry	–	27,665	–	27,665
1,797,983	925,781	(872,202)		**SALE OF GOVERNMENT ASSETS**	6,238	925,781	1,500,000	(574,219)
$ 7,390,335	$ 5,408,161	$ (1,982,174)		TOTAL OTHER REVENUE	$ 25,736	$ 5,408,161	$ 6,765,800	$ (1,357,639)
				GOVERNMENT OF CANADA:				
$ 1,573,691	$ 2,068,703	$ 495,012		Business Development and Tourism	$ –	$ 2,068,703	$ 2,120,800	$ (52,097)
557,348	–	(557,348)		Education	–	–	–	–
1,183	–	(1,183)		Government Services	–	–	–	–
1,325,000	490,481	(834,519)		Highways and Transportation	–	490,481	2,497,500	(2,007,019)
2,497,235	287,922	(2,209,313)		Natural Resources	–	287,922	346,500	(58,578)
2,998,467	449,842	(2,548,625)		Northern Affairs	–	449,842	990,000	(540,158)
2,299,016	1,652,823	(646,193)		Urban Affairs	–	1,652,823	2,010,000	(357,177)
$ 11,251,940	$ 4,949,771	$ (6,302,169)		TOTAL GOVERNMENT OF CANADA	$ –	$ 4,949,771	$ 7,964,800	$ (3,015,029)
$ 18,642,275	$ 10,357,932	$ (8,284,343)		TOTAL REVENUE RELATED TO CAPITAL	$ 25,736	$ 10,357,932	$ 14,730,600	$ (4,372,668)
$ 3,123,129,014	$ 3,393,352,006	$ 270,222,992		TOTAL REVENUE BEFORE COMMISSIONS	$ 29,592,475	$ 3,393,352,006	$ 3,387,039,461	$ 6,312,545
				LESS: Commissions Retained by Revenue Officers (Note 2)				
178,547	179,034	487		Gasoline Tax	–	179,034	179,034	–
82,320	81,638	(682)		Motive Fuel Tax	–	81,638	81,638	–
15,558	15,517	(41)		Revenue Act, 1964, Part I	–	15,517	15,517	–
59,658	138,685	79,027		Tobacco Tax	–	138,685	138,685	–
53,254	51,312	(1,942)		Pari Mutuel Tax	–	51,312	51,312	–
5,898,145	6,135,309	237,164		Retail Sales Tax	–	6,135,309	6,135,309	–
1,749	963	(786)		Court Fees	–	963	963	–
61,089	61,746	657		Registrations, Highway Traffic Act	–	61,746	61,746	–
161,878	168,957	7,079		Big Game, Game Bird and Angling Licences	–	168,957	168,957	–
$ 3,116,616,816	$ 3,386,518,845	$ 269,902,029		TOTAL REVENUE	$ 29,592,475	$ 3,386,518,845	$ 3,380,206,300	$ 6,312,545

NOTE 1: All revenue refunds are shown as a net reduction of the related revenue account in accordance with section 24(2) of the Financial Administration Act:

	1985–1986	1986–1987
Refund of prior years' revenue	$ 1,708,322	$ 359,030
Refund of current years' revenue	23,770,681	29,233,445
	$25,479,003	$29,592,475

NOTE 2: The actual and estimated revenue of the 1986–1987 fiscal year as well as the 1985–1986 revenue has been increased to reflect commissions retained by Revenue Officers. These commissions are deducted at the end of the statement to determine total government revenue.

NOTE 3: Revenue from Individual Income Tax and Corporation Income Tax has been reduced by the Municipal share of these taxes which is paid to Municipalities in accordance with the Provincial–Municipal Tax Sharing Act, as follows:

	1985–1986	1986–1987
Individual Income Tax	$25,652,629	$26,430,198
Corporation Income Tax	7,533,178	9,077,222
	$33,185,807	$35,507,420

NOTE 4: The presentation of the actual revenue for the 1985–1986 fiscal year has been changed to reflect the organizational structure of Departments as established in the 1986–1987 Estimates. Organizational changes made subsequent to the 1986–1987 Estimates are minor in nature and have not been reflected in the amounts presented for that fiscal year.

EXPLANATORY COMMENTS REGARDING REVENUE INCREASES (DECREASES)

As shown on the
Statement of Revenue
For the Year Ended March 31, 1987

The total revenue of $3,386.5 million for the year ended March 31, 1987 has increased from the previous fiscal year's total of $3,116.6 million by $269.9 million. The larger revenue increases and decreases consist of the following (in millions of dollars):

Larger increases:	
Individual Income Tax	$ 110.4
Equalization	38.1
Mining Tax	34.4
Retail Sales Tax	26.5
Natural Resources – Water Resources	15.4
Tobacco Tax	14.0
Corporation Capital Tax	10.9
Government of Canada – Shared Cost Receipts	8.7
Established Programs Cash Transfer	8.1
Levy for Health and Education	7.7
Motive Fuel Tax	7.4
Attorney-General – Land Titles Fees	3.0
Highways and Transportation – Automobile and Motor Carrier Licences and Fees	2.8
Insurance Corporations Tax	2.7
Liquor Control Commission	2.4
	$ 292.5
Larger Decreases:	
Corporation Income Tax	$ 7.2
Oil and Natural Gas Tax	7.0
Petroleum	5.4
Finance – Refund of Prior Years' Expenditures	5.2
Reciprocal Taxation Agreement	3.1
	$ 27.9
Others: Net Increase	$ 5.3
Net Increase	$ 269.9

The net increase of $110.4 million in Individual Income Tax and increases in Equalization and Mining Tax of $38.1 million and $34.4 million respectively, were the largest factors contributing to this increase. Comments on these and other significant increases and decreases and also on significant variances between actual and estimated are made in the following paragraphs.

INDIVIDUAL INCOME TAX ($110.4 million increase)

The increase in Individual Income Tax of $110.4 million – from $649.7 million for the fiscal year ended March 31, 1986 to $760.1 million for the fiscal year ended March 31, 1987 – is primarily attributable to an increase of $77.0 million in current year payments as a result of revisions in federal estimates of the province's entitlements based on the estimated growth in national basic federal tax and Manitoba's share of the growth, a net increase in prior year adjustments of $33.9 million (a $27.6 million positive adjustment was applied in 1986–87 compared to a $6.3 million negative adjustment in 1985–86) and an $0.8 million decrease due to an increase in payments made under the Provincial Municipal Tax Sharing Agreement.

The 1986–87 revenue is net after transferring Provincial Municipal Tax Sharing payments of $26.4 million.

The actual revenue received, $760.1 million, exceeded the Estimate by $40.4 million, mainly due to the revised Federal estimates of the provinces entitlements and to the net prior year adjustments of $27.6 million.

EQUALIZATION ($38.1 million increase)

The increase in Equalization revenue of $38.1 million – from $470.3 million for the fiscal year ended March 31, 1986 to $508.4 million for the fiscal year ended March 31, 1987 – is attributable to a $28.2 million increase in basic current year payments, a $15.0 million increase in supplementary payments and a $5.1 million decrease due to a net negative adjustment to prior year payments.

The actual revenue received, $508.4 million, is less than the Estimate by $2.4 million as a result of the $5.1 million negative prior year adjustment and the $2.7 million increase in basic current year payments.

MINING TAX ($34.4 million increase)

The increase in Mining Tax reverue of $34.4 million – from $13.7 million for the fiscal year enced March 31, 1986 to $48.1 million for the fiscal year ended March 31, 1987 – is mainly attributable to the recovery of prior years audit assessments.

The actual revenue received, $48.1 million, exceeded the Estimate by $12.5 million due to higher than anticipated prior year audit recoveries.

RETAIL SALES TAX ($26.5 million increase)

The increase in Retail Sales Tax revenue of $26.5 million – from $442.7 million for the fiscal year ended March 31, 1986 to $469.2 million for the fiscal year ended March 31, 1987 – is mainly attributable to increased sales due to economic growth and to inflationary increases in the price of goods and services.

NATURAL RESOURCES – WATER RESOURCES ($15.4 million increase)

The increase in Water Resource revenue of $15.4 million – from $16.7 million for the fiscal year ended March 31, 1986 to $32.1 million for the fiscal year ended March 31, 1987 – is mainly attributable to an increase in water power rates related to the production of hydro electrical generation effective July 11, 1986.

TOBACCO TAX ($14.0 million increase)

The increase in Tobacco Tax reverue of $14.0 million – from $77.8 million for the fiscal year ended March 31, 1986 to $91.8 million for the fiscal year ended March 31, 1987 – is the net result of an increase in the tax rate from 3.1¢ to 4.1¢ per cigarette with a corresponding increase on other fine cut tobacco products effective June 16 1986 and a decrease in consumption.

The actual revenue received, $91.8 million, is less than the Estimate by $5.8 million as a resul of a larger than anticipated decrease in consumption of tobacco products.

CORPORATION CAPITAL TAX ($10.9 million increase)

The increase in Corporation Capital Tax of $10.9 million – from $29.6 million for the fiscal year ended March 31, 1986 to $40.5 million for the fiscal year ended March 31, 1987 – is primarily due to an increase in the tax rates effective July 1, 1986. The general rate increased from 0.2% to 0.3%, the rate applied to banks increased from 1.9% to 3.0% and the rate applied to trust and loan companies increased from 0.6% to 0.9%.

GOVERNMENT OF CANADA – SHARED COST RECEIPTS ($8.7 million increase)

The increase in Government of Canada Shared Cost Receipts of $8.7 million – from $223.4 million for the fiscal year ended March 31, 1986 to $232.1 million for the fiscal year ended March 31, 1987 – is the net result of several increases and decreases reflected in various cost–shared agreements.

Recoveries related to the Canada Assistance Plan increased by $2.9 million in the Department of Community Services and $2.3 million in the Department of Health primarily as a result of an increased level of provincial expenditure in the social services programs. The recovery of social allowance payments made to Treaty Indians increased by $1.4 million in the Department of Employment Services & Economic Security.

An agreement related to the Young Offenders Act which became effective in October 1986 and the settlement of prior year claims related to ward maintenance of Treaty Indians resulted in increases of $4.7 million and $1.7 million respectively, in the Department of Community Services.

Partially offsetting these increases were: a $2.5 million net decrease in the Department of Northern Affairs as maximum cost–sharing levels for the majority of capital projects authorized under the Northern Development Agreement were reached in 1985–86; a $2.0 million decrease in the Department of Natural Resources due to the termination of the Value Added Crops Production Agreement on March 31, 1986; and a $1.9 million decrease in the Department of Community Services due to a one–time payment in 1985–86 for a special agreement related to the Young Offenders Act.

ESTABLISHED PROGRAMS CASH TRANSFER ($8.1 million increase)

The increase in Established Programs Cash Transfer revenue of $8.1 million – from $410.1 million for the fiscal year ended March 31, 1986 to $418.2 million for the fiscal year ended March 31, 1987 – is mainly the result of an increase in basic current year payments of $8.0 million for Insured Health Services, $3.7 million for Post–Secondary Education and $2.7 million for Extended Health Care. Partially offsetting the increases to these components was a net increase in negative prior year adjustments of $6.3 million (a $14.2 million negative adjustment was applied in 1986–87 compared to a $7.9 million negative adjustment in 1985–86).

The actual revenue received, $418.2 million, is less than the Estimate by $15.8 million primarily due to the negative prior year adjustments of $14.2 million.

LEVY FOR HEALTH AND POST SECONDARY EDUCATION ($7.7 million increase)

The increase in Levy for Health and Post Secondary Education revenue of $7.7 million – from $118.9 million for the fiscal year ended March 31, 1986 to $126.6 million for the fiscal year ended March 31, 1987 – is primarily due to growth in employment and/or wages which constitute the tax base of employers.

The actual revenue received, $126.6 million, exceeded the Estimate by $3.1 million due to unanticipated growth in the tax base of employers.

MOTIVE FUEL TAX ($7.4 million increase)

The increase in Motive Fuel Tax revenue of $7.4 million – from $49.6 million for the fiscal year ended March 31, 1986 to $57.0 million for the fiscal year ended March 31, 1987 – is primarily attributable to the extension of motive fuel taxation to compressed natural gas used in all internal combustion engines in lieu of taxation under the Revenue Act, 1964, effective June 1, 1986. The applied rate of 7¢ per kilogram resulted in an increase of $9.9 million.

Partially offsetting this increase was a $3.0 million increase in tax refunds to railways for motive fuel purchased in the Province but exported out of the Province in locomotive fuel tanks [Motive Fuel Tax Act, Section 3(11.1)].

The actual revenue received, $57.0 million, is less than the Estimate by $3.6 million mainly as a result of higher than anticipated tax refunds to railways.

ATTORNEY-GENERAL – LAND TITLE FEES ($3.0 million increase)

The increase in Land Title Fees of $3.0 million – from $11.9 million for the fiscal year ended March 31, 1986 to $14.9 million for the fiscal year ended March 31, 1987 – is attributable to a 9% increase in the number of land transfers and mortgages registered and to higher market values which form the basis of the fees charged.

The actual revenue received, $14.9 million, exceeded the Estimate by $3.4 million also as a result of the increase in volume and market values.

HIGHWAYS AND TRANSPORTATION – AUTOMOBILE AND MOTOR CARRIER LICENCES AND FEES ($2.8 million increase)

The increase in Automobile and Motor Carrier Licences and Fees of $2.8 million – from $28.7 million for the fiscal year ended March 31, 1986 to $31.5 million for the fiscal year ended March 31, 1987 – is primarily the result of an increase in registration fees of $3.00 per vehicle.

INSURANCE CORPORATIONS TAX ($2.7 million increase)

The increase in Insurance Corporations Tax revenue of $2.7 million – from $16.7 million for the year ended March 31, 1986 to $19.4 million for the year ended March 31, 1987 – is attributable to an increase in premiums collected by insurance companies.

LIQUOR CONTROL COMMISSION ($2.4 million increase)

The increase in Liquor Control Commission Revenue of $2.4 million – from $139.4 million for the fiscal year ended March 31, 1986 to $141.8 million for the fiscal year ended March 31, 1987 – which represents the increase in net profit to the Commission, is the result of price increases of $13.6 million, offset by a decrease in sales volume of $9.4 million, a decrease of $0.9 million due to the discontinuation of the brewers supplementary licence fee on July 11, 1985 (the Commission mark-up on beer was increased to offset the reduction from this revenue source), and an increase in operating expenses of $0.9 million.

The actual revenue received, $141.8 million, is $3.1 million less than the Estimate mainly as a result of lower than projected sales volumes of $3.5 million, selling prices of $0.2 million and other revenue of $0.4 million. Commission expenses were $1.0 million lower than estimated which when combined with the revenue changes resulted in a decrease in net profit of $3.1 million.

CORPORATION INCOME TAX ($7.2 million decrease)

The decrease in Corporation Income Tax of $7.2 million – from $126.5 million for the fiscal year ended March 31, 1986 to $119.3 million for the fiscal year ended March 31, 1987 – is attributable to: a $0.9 million decrease in current year entitlements based on federal estimates of Manitoba's share of corporation taxable income, a $0.6 million decrease in payments related to the Public Utilities Income Tax Transfer Act, a decrease of $1.5 million resulting from an increase in Provincial-Municipal Tax Sharing payments, a decrease of $2.5 million as a result of an increase in Manufacturers Income Tax credits, and a net decrease of $1.6 million due to an increase in negative prior year adjustments (a $10.6 million negative adjustment was applied in 1986–87 as compared to a $9.0 million negative adjustment in 1985–86).

The 1986–87 revenue is net after transferring Provincial-Municipal Tax Sharing payments of $9.1 million.

The actual revenue received, $119.4 million, is less than the Estimate by $27.1 million mainly due to a decrease in current year entitlements of $14.3 million and the negative prior year adjustments of $10.6 million.

OIL AND NATURAL GAS TAX ($7.0 million decrease)

The decrease in Oil and Natural Gas Tax revenue of $7.0 million – from $14.3 million for the fiscal year ended March 31, 1986 to $7.3 million for the fiscal year ended March 31, 1987 – is related to the drop in world oil prices from approximately $30 U.S. per barrel to approximately $10 – $12 U.S. per barrel.

PETROLEUM ($5.4 million decrease)

The decrease in Petroleum revenue of $5.4 million – from $8.9 million for the fiscal year ended March 31, 1986 to $3.5 million for the fiscal year ended March 31, 1987 – is the result of a 50% decrease in the number of oil wells drilled during 1986–87, a decline in the value of sales of crown leases, and a decrease of approximately 47% in the average price of crude oil.

REFUND OF PRIOR YEAR'S EXPENDITURES ($5.2 million decrease)

The decrease in Refund of Prior Year's Expenditures revenues of $5.2 million – from $7.3 million for the fiscal year ended March 31, 1986 to $2.1 million for the fiscal year ended March 31, 1987 – is the result of a nonrecurring recovery of $5.3 million in 1985–86 from the Manitoba Agricultural Credit Corporation due to a change in accounting policy.

RECIPROCAL TAXATION AGREEMENT ($3.1 million decrease)

The decrease in Reciprocal Taxation Agreement revenue of $3.1 million – from $16.5 million for the fiscal year ended March 31, 1986 to $13.4 million for the fiscal year ended March 31, 1987 – is mainly attributable to a decrease of $2.9 million in the Federal Government's estimate of the Province's entitlements for the sales tax component of the Agreement.

The actual revenue received, $13.4 million, is less than the Estimate by $4.7 million mainly due to a $4.2 million decrease in the Federal Government's estimate of the Province's sales tax entitlements.

GOVERNMENT OF THE PROVINCE OF MANITOBA
STATEMENT OF EXPENDITURE

For The Year Ended March 31, 1987
(with comparative figures for March 31, 1986)

Actual 1985–86	Actual 1986–87	Increase (Decrease)		1986–1987 Actual	1986–1987 Authorized	1986–1987 Unexpended
$ 9,090,779	$ 10,675,869	$ 1,585,090	Legislation	$ 10,675,869	$ 11,815,582	$ 1,139,713
2,296,555	2,540,020	243,465	Executive Council	2,540,020	2,061,900	61,880
62,429,239	66,680,438	4,251,199	Agriculture	66,680,438	76,725,600	10,045,162
71,447,540	76,776,023	5,328,483	Attorney-General	76,776,023	77,382,012	605,989
17,165,911	17,946,011	780,100	Business Development and Tourism	17,946,011	19,077,900	1,131,889
46,199,595	51,235,746	5,036,151	Civil Service	51,235,746	54,979,100	3,743,354
169,137,982	185,489,273	16,351,291	Community Services	185,489,273	187,463,000	1,973,727
4,263,589	4,605,720	342,131	Consumer and Corporate Affairs	4,605,720	4,719,900	114,180
6,573,222	6,291,696	(281,526)	Co-operative Development	6,291,696	7,461,200	1,169,504
811,916	1,282,360	470,444	Crown Investments	1,282,360	1,319,800	37,440
20,903,137	20,648,808	(254,329)	Culture, Heritage and Recreation	20,648,808	20,968,300	319,492
663,059,184	683,740,229	20,681,045	Education	683,740,229	701,390,400	17,650,171
–	12,500,000	12,500,000	Public Schools Support (Note 1)	12,500,000	12,500,000	–
195,751,574	212,856,268	17,104,694	Employment Services and Economic Security	212,856,268	219,383,200	6,526,932
13,190,640	12,077,439	(1,113,201)	Energy and Mines	12,077,439	12,974,106	896,667
11,794,485	11,643,762	(150,723)	Environment and Workplace Safety and Health	11,643,762	12,321,500	677,738
533,729,279	667,275,594	133,546,315	Finance	667,275,594	669,377,485	2,101,891
117,479,878	126,806,543	9,326,665	Government Services	126,806,543	131,652,700	4,846,157
1,149,115,229	1,238,477,299	89,362,070	Health	1,238,477,299	1,244,976,700	6,499,401
194,504,856	196,697,342	2,192,486	Highways and Transportation	196,697,342	200,387,600	3,690,258
40,154,362	41,195,623	1,041,261	Housing	41,195,623	46,162,000	4,966,377
8,588,440	8,776,556	188,116	Industry, Trade and Technology	8,776,556	9,104,300	327,744
9,091,032	9,403,506	312,474	Labour	9,403,506	9,879,198	475,692
37,955,071	39,009,042	1,053,971	Municipal Affairs	39,009,042	40,901,800	1,892,758
85,775,647	82,721,752	(3,053,895)	Natural Resources	82,721,752	86,241,900	3,520,148
29,430,332	27,697,733	(1,732,599)	Northern Affairs	27,697,733	29,512,300	1,814,567
63,450,656	56,867,515	(6,583,141)	Urban Affairs	56,867,515	60,353,300	3,485,785
–	–	–	Canada–Manitoba Enabling Vote	–	1,058,194	1,058,194
1,905,453	1,442,395	(463,058)	Emergency Interest Rate Relief	1,442,395	2,081,800	639,405
1,885,236	3,491,066	1,605,830	Flood Control and Emergency Expenditures	3,491,066	4,700,000	1,208,934
77,707,102	68,725,827	(8,981,275)	Manitoba Jobs Fund	68,725,827	78,458,600	9,732,773
$3,644,887,921	$3,945,577,455	$ 300,689,534		$3,945,577,455	$4,037,931,377	$ 92,353,922

NOTE 1: During the 1986–87 fiscal year a special warrant in the amount of $12.5 million was approved for Public Schools Support which represents a cash flow shortage for Advances to School Divisions. In March 1984 an accounting change was made whereby the basis of funding for School Divisions was changed from a reimbursement system to a system of advances. The March 1984 Special Warrant in the amount of $67 million provided funding for School Divisions for the period January to March 1984 in the fiscal year 1983–84 rather than in the fiscal year 1984–85. Concurrently, funding for the period January to March 1983 in the amount of $72,083,615 was removed from the 1983–84 expenditures and transferred as a prior period adjustment to the Excess of Liabilities over Financial Assets Account. However, the $67 million adjustment of March 1984 has since proven to be insufficient to put School Division funding entirely on an advance basis. Consequently, since 1984–85 a portion of the last quarter of the fiscal year's funding has had to be carried over to the next fiscal year. The additional supplementary funding of $12.5 million precludes any carry over of the 1986–87 expenditure into the 1987–88 fiscal year.

As a result of this accounting change, the total expenditure of the Department of Education of $683,740,229 is $14,520,150 less than the total amount of $698,260,379 charged to the appropriation for the year. The difference of $14,520,150 which represents payments to School Divisions in April 1986 for services provided in January to March 1986 was transferred as a prior year adjustment to the Excess of Liabilities Over Financial Assets Account. Offsetting this transfer are payments amounting to $12,500,000 for services provided in January to March 1987 which are shown separately as Public Schools Support expenditure. If this accounting change had not been made, the unexpended balance for the Department of Education would have been $3,130,021 instead of $17,650,171.

NOTE 2: The presentation of the actual expenditure for the 1985–86 fiscal year has been changed to reflect the organizational structure of Departments as established in the 1986–87 Estimates.

EXPLANATORY COMMENTS REGARDING EXPENDITURE INCREASES (DECREASES)

As shown on the
Statement of Expenditure
For the Year Ended March 31, 1987

The total expenditure of $3,945.6 million for the year ended March 31, 1987 has increased from the previous fiscal year's total of $3,644.9 million by $300.7 million.

The largest increase of $133.5 million in the Department of Finance is mainly attributable to a net increase in Public Debt costs of $78.7 million and a net increase in Hydro Rates Stabilization expenditures of $36.0 million.

The next largest increase, $89.4 million, occurred in the Department of Health primarily as a result of an increase in payments of $76.2 million to the Manitoba Health Services Commission.

Although salary and other general cost increases account for a substantial portion of the total increase, certain major items in departmental expenditures are commented on in the following paragraphs:

AGRICULTURE ($4.3 million increase)

The increase in departmental expenditures is mainly attributable to: a net increase of $5.0 million in costs associated with the Income Insurance Fund, primarily as a result of the establishment of the new Tripartite Hog Stabilization Program in 1986-87; an increase of $1.3 million in Drug and Semen purchases due to increased demand for these products; and a $1.4 million increase in grants for sewer and water projects.

Offsetting these increases is a net decrease of $3.5 million in payments to the Manitoba Agricultural Credit Corporation which is primarily attributable to: a $6.0 million decrease in expenditures due to the discontinuation of the 8% interest rate write-down program established in the 1985-86 fiscal year; and a $2.1 million increase in expenditures related to loan guarantee payments and bad debt write-offs resulting from poor economic conditions.

ATTORNEY-GENERAL ($5.3 million increase)

The major increase in departmental expenditures occurred in Law Enforcement as a result of a $1.7 million increase in payments to the R.C.M.P. for the provincial share of police services provided.

CIVIL SERVICE ($5.0 million increase)

The largest increase in departmental expenditures was $3.8 million for costs pertaining to employee benefits which are required by legislation or agreement. Major year over year changes were: a $1.5 million increase in contributions to the Civil Service Superannuation Plan, a $1.0 million increase in the Government's share of premiums paid under the Unemployment Insurance Plan, and a $0.7 million increase in payments related to the Canada Pension Plan.

COMMUNITY SERVICES ($16.4 million increase)

The increase in departmental expenditures is mainly attributable to: a $4.0 million increase in financial assistance provided through Community Social Services Programs, primarily due to an increase in the number and the associated cost of placing physically and mentally handicapped persons into the community; a $2.6 million increase in the Child and Family Support - Maintenance of Children program as a result of an increase in the number and the cost of placing special rate foster care children; and a $2.7 million increase in Child Day Care subsidy and grant payments as a result of an increase in 1986-87 of the number of new subsidized spaces and the level of grant support provided.

EDUCATION/PUBLIC SCHOOL SUPPORT ($33.2 million increase)

The increase in departmental expenditures is mainly attributable to: a $19.1 million increase in the level of financial support provided to public schools; a $5.8 million increase in grant funding provided to the Universities Grants Commission; a $2.4 million increase in government contribution to the Teachers' Retirement Allowances Fund; and a $1.7 million increase in assistance provided by Student Aid.

EMPLOYMENT SERVICES AND ECONOMIC SECURITY ($17.1 million increase)

The increase in departmental expenditures is mainly attributable to an increase of $8.5 million in Social Allowance Assistance provided to individuals. This represents a $4.2 million or 2.5% increase in caseload and a $4.3 million or 3.7% increase in the cost per case. In addition, program expansion resulted in increases of $4.0 million and $1.5 million for the Manitoba Supplement to Pensioners and the Child Related Income Support Program, respectively.

FINANCE ($133.5 million increase)

The increase in departmental spending is mainly attributable to a net increase of $78.7 million in Public Debt expenditure. The major factors contributing to the increase were an increase of $48.1 million in interest costs due to foreign currency fluctuations; a $45.4 million increase in net interest costs on long-term financing, and a net increase of $10.3 million in costs related to the cash management program. These increases were partially offset by a $13.5 million increase in investment earnings from the Provincial Sinking Fund, an $8.1 million increase in interest recoveries from Crown Corporations and Government Agencies, and a $5.3 million increase in interest received on Manitoba Properties Inc. notes.

Hydro Rates Stabilization expenditures increased by $36.0 million as a result of increased interest payments and costs on maturity of debt obligations related to Manitoba Hydro's foreign currency debt amounting to $31.6 million, of which $25.9 million relates to the call of an $80 million Manitoba Hydro Swiss Franc issue and subsequent bridge financing, and a $4.2 million expenditure to recognize the Province's liability for Manitoba Hydro's U.S. dollar debt to March 31,

1987 at which time Manitoba Hydro assumed responsibility for their own U.S. dollar debt.

A payment of $10.0 million was made relative to loan guarantees provided to Flyer Industries and settled as part of the requirements leading to the sale of Flyer Industries.

Tax Credit Payments increased by $6.7 million mainly the result of a $2.1 million increase in Cost of Living Tax Credits, a $1.4 million increase in Resident Homeowner Tax Assistance, and a $1.3 million increase in Property Tax Credits.

GOVERNMENT SERVICES ($9.3 million increase)

The increase in departmental expenditures is mainly attributable to a $17.1 million increase in costs for leased properties. Rental payments to Manitoba Properties Inc. (M.P.I.) increased by $15.9 million, primarily due to the annualization of rental costs for space leased in provincial buildings which were transferred to M.P.I. in the latter part of the 1985-86 fiscal year. Increased costs of leases held with other agencies resulted in an additional increase of $1.2 million.

Offsetting this increase is a net decrease of $9.1 million in capital spending. Approximately $4.9 million of the decrease is attributable to the completion of construction on major projects in 1985-86 and $4.1 million to the transfer of responsibility of provincial buildings to M.P.I..

HEALTH ($89.4 million increase)

The major factor contributing to the increase in departmental expenditures is an increase of $76.2 million in payments to the Manitoba Health Services Commission. This increase is primarily attributable to increased Hospital Program costs - approximately $26.9 million for general cost increases for salaries and supplies, $10.0 million for program expansion, upgrading and new initiatives, $9.2 million for new and renovated facilities and equipment, and $2.8 million for price increases in out-of-Canada hospital payments; volume and fee-for-service increases of $20.4 million in the Medical Program; and a net increase of $3.9 million in the Personal Care Home Program, primarily as a result of the increased cost of salaries and supplies.

In addition, Continuing Care-Home Care Assistance expenditures increased by $6.8 million mainly as a result of an increase in volume and the intensity of services provided.

NATURAL RESOURCES ($3.1 million decrease)

The net decrease in departmental expenditures is mainly attributable to the termination of the Canada-Manitoba Value Added Crops Production Agreement on March 31, 1986 which resulted in a $3.6 million decrease in capital spending.

URBAN AFFAIRS ($6.6 million decrease)

The decrease in departmental expenditures is attributable to: a net decrease of $3.8 million in financial assistance provided to the City of Winnipeg due to the completion of several capital projects in 1985-86 and delayed implementation of City capital projects in 1986-87; and a net decrease of $3.0 million in Canada-Manitoba Winnipeg Core Area Agreement expenditures, largely due to delays in finalizing property expropriation settlements and to reduced levels of activity as the Agreement is nearing completion.

MANITOBA JOBS FUND ($9.0 million decrease)

The most significant decreases in Jobs Fund spending were a $10.1 million decrease in expenditures related to Community and Capital Asset programs, mainly due to the winding down of the program and a $5.7 million decrease in Youth/Wage Assistance program expenditures, primarily due to the discontinuation of the Manitoba Jobs and Training program. Partially offsetting these decreases was a $6.4 million increase in expenditures related to the construction of the Churchill Hydro Line in 1986-87, and a $1.8 million increase in costs associated with the Limestone Training and Development program.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SUMMARY OF EXPENDITURE BY DEPARTMENT AND EXPENDITURE OBJECT CODE

For the Year Ended March 31, 1987
(With comparative figures for March 31, 1986)
(in thousands)

Department	Personnel Services	Grants/ Transfer Payments	Trans-portation	Commun-ication
Legislation	$ 6,985	$ –	$ 184	$ 215
Executive Council	1,790	336	95	83
Agriculture	18,131	30,923	1,676	696
Attorney-General	32,584	5,860	1,747	714
Business Development and Tourism	4,186	8,214	477	1,272
Civil Service	50,617	–	52	70
Community Services	66,030	43,039	1,728	949
Consumer and Corporate Affairs	3,006	66	53	94
Co-operative Development	1,474	5,961	68	50
Crown Investments	347	–	10	18
Culture, Heritage and Recreation	9,700	9,482	375	2,259
Education	58,720	627,891	1,552	1,213
Employment Services and Economic Security	23,331	17,889	1,019	777
Energy and Mines	9,787	8,265	766	630
Environment and Workplace Safety and Health	9,148	59	675	332
Finance	12,367	229,202	364	300
Government Services	30,706	1,100	779	6,225
Health	82,691	1,128,130	3,021	1,200
Highways and Transportation	66,849	3,053	3,799	1,519
Housing	7,104	33,744	358	299
Industry Trade and Technology	5,194	5,679	304	925
Labour	7,340	233	438	218
Municipal Affairs	9,497	27,845	431	180
Natural Resources	47,763	963	8,470	1,758
Northern Affairs	3,539	4,968	653	132
Urban Affairs	736	37,567	11	26
Public School Support	–	12,500	–	–
Emergency Interest Rate Relief	–	1,443	–	–
Flood Control and Emergency Expenditures	582	2,196	54	5
Manitoba Jobs Fund	–	–	–	–
Sub-Total	$ 570,204	$ 2,246,608	$ 29,159	$ 22,159
Recoveries	(4,476)	(17,198)	(16,519)	(3,458)
Net Object Code Expenditures	$ 565,728	$ 2,229,410	$ 12,640	$ 18,701
Transfers to Capital	(13,948)	(57,589)	(1,956)	(449)
Adjusted Object Code Expenditure	$ 551,780	$ 2,171,821	$ 10,684	$ 18,252

NOTE: Transfers to Capital consist of the restatement of expenditure object code data to adjust capital expenditures that were charged to an object code other than Capital for:
a) Expenditures made from appropriations for Expenditures related to Capital Assets.
b) Self-constructed assests that are funded from operating appropriations.

Comparison of Object Code Expenditures

1987	$ 551,780	$ 2,171,821	$ 10,684	$ 18,252
1986	508,869	2,042,732	10,747	19,768
Increase (Decrease)	$ 42,911	$ 129,089	$ (63)	$ (1,516)

SUMMARY OF EXPENDITURE BY DEPARTMENT AND EXPENDITURE OBJECT CODE — Continued

Supplies and Services	Public Debt	Other Operating	Social Assistance Related	Capital	Total Expenditure	Recoveries into Appro-priations	Net Expenditure
$ 1,136	$ 2	$ 2,074	$ –	$ 80	$ 10,676	$ –	$ 10,676
104	–	169	–	10	2,587	(47)	2,540
9,329	258	980	–	5,930	67,923	(1,243)	66,680
32,600	5	2,601	–	734	76,845	(69)	76,776
1,757	187	739	–	2,980	19,812	(1,866)	17,946
772	–	423	–	149	52,083	(847)	51,236
7,224	15	959	65,036	602	185,582	(93)	185,489
1,026	–	305	–	57	4,607	(2)	4,605
82	3	46	–	8	7,692	(1,400)	6,292
872	–	30	–	5	1,282	–	1,282
4,720	3	662	–	370	27,571	(6,922)	20,649
12,517	6	4,379	3,092	1,731	711,101	(27,361)	683,740
3,885	36	1,282	187,976	4,497	240,692	(27,836)	212,856
5,672	3	479	1,089	556	27,247	(15,170)	12,077
1,041	1	377	–	34	11,667	(23)	11,644
1,915	421,462	2,930	–	283	668,823	(1,547)	667,276
98,383	310	2,042	1	14,041	153,587	(26,780)	126,807
20,754	8	1,093	978	923	1,238,798	(321)	1,238,477
132,721	23	4,950	–	29,932	242,846	(46,149)	196,697
1,193	5	549	–	212	43,464	(2,269)	41,195
1,554	2	775	–	308	14,741	(5,965)	8,776
443	–	712	–	143	9,527	(123)	9,404
565	1	464	–	68	39,051	(42)	39,009
17,677	61	2,626	–	13,448	92,766	(10,044)	82,722
1,769	1	13,770	53	3,860	28,745	(1,047)	27,698
179	–	3,184	–	15,165	56,868	–	56,868
–	–	–	–	–	12,500	–	12,500
–	–	–	–	–	1,443	–	1,443
594	–	53	–	7	3,491	–	3,491
–	–	68,726	–	–	68,726	–	68,726
$ 360,484	$ 422,392	$ 117,379	$ 258,225	$ 96,133	$ 4,122,743	$ (177,166)	$ 3,945,577
(44,398)	(11)	(83,563)	(1)	(7,542)	(177,166)	177,166	–
$ 316,086	$ 422,381	$ 33,816	$ 258,224	$ 88,591	$ 3,945,577	$ –	$ 3,945,577
(81,599)	(344)	(4,817)	–	160,702	–	–	–
$ 234,487	$ 422,037	$ 28,999	$ 258,224	$ 249,293	$ 3,945,577	$ –	$ 3,945,577
$ 234,487	$ 422,037	$ 28,999	$ 258,224	$ 249,293	$ 3,945,577	$ –	$ 3,945,577
210,789	307,265	31,759	236,304	276,655	3,644,888	–	3,644,888
$ 23,698	$ 114,772	$ (2,760)	$ 21,920	$ (27,362)	$ 300,689	$ –	$ 300,689

EXPLANATORY COMMENTS REGARDING EXPENDITURE OBJECT CODE INCREASES (DECREASES)

For the Year Ended March 31, 1987

NOTE 1: PERSONNEL SERVICES ($42.9 million increase)

The increased costs of $42.9 million in this category results mainly from the general salary increase that was negotiated with employees effective September 27, 1986. This resulted in an overall increase for all Departments.

Other contributing factors to the $42.9 million increase were as follows:

a) An increase of $3.8 million also occurred in employee benefits required by legislation or agreement as follows: Civil Service Superannuation Plan $1.5 million, Unemployment Insurance Plan $1.0 million and Canada Pension Plan $0.7 million.

b) An increase of $5.4 million occurred in Continuing Care - Home Care Assistance in the Department of Health. This increase was due to an increase in volume and intensity of services provided.

NOTE 2: GRANTS/TRANSFER PAYMENTS ($129.1 million increase)

Significant increases in the amount of grants or transfer payments made under certain programs occurred in the following Departments:

a) **HEALTH ($77.3 million increase)**

The major factor contributing to the increase in departmental expenditure is an increase of $72.8 million in payments to the Manitoba Health Services Commission. This increase was primarily attributable to increased Hospital Program costs-approximately $26.9 million for general cost increases for salaries and supplies, $10.0 million for program expansion, upgrading and new initiatives, and $2.8 million for price increases in out-of-Canada hospital payments; volume and fee-for-service increases of $20.4 million in the Medical Program; and a net increase of $3.9 million in the Personal Care Home Program, primarily as a result of the increased cost of salaries and supplies.

b) **EDUCATION/PUBLIC SCHOOL SUPPORT ($28.3 million increase)**

The increase in departmental expenditures in this category is mainly attributable to: a $19.1 million increase in the level of financial support provided to public schools; a $5.8 million increase in grant funding provided to the Universities Grants Commission; a $2.4 million increase in government contribution to the Teachers' Retirement Allowances Fund; and a $1.7 million increase in assistance provided by Student Aid.

c) **FINANCE ($17.2 million increase)**

Tax Credit Payments increased by $6.7 million mainly the result of a $2.1 million increase in Cost of Living Tax Credits, a $1.4 million increase in Resident Homeowner Tax Assistance, and a $1.3 million increase in Property Tax Credits.

A payment of $10.0 million was made relative to loan guarantees subject to the sale of Flyer Industries.

NOTE 3: SUPPLIES AND SERVICES ($23.7 million increase)

The increase in this category is mainly due to the following:

a) **GOVERNMENT SERVICES ($16.6 million increase)**

The increase in departmental expenditures in this category is mainly attributable to a $17.1 million increase in costs for leased properties. Rental payments to Manitoba Properties Inc. (M.P.I.) increased by $15.9 million, primarily due to annualization of rental costs for space leased in provincial buildings which were transferred to M.P.I. in the latter part of the 1985-86 fiscal year. Increased costs of leases held with other agencies resulted in an additional increase of $1.2 million. This increase was partially offset by a decrease in spending attributable to the transfer of responsibility of provincial buildings to Manitoba Properties Inc. .

b) **AGRICULTURE ($1.8 million increase)**

The increase was mainly the result of an increase of $1.3 million in Drug and Semen purchases due to increased demand for these products.

c) **ATTORNEY-GENERAL ($2.0 million increase)**

The major increase in this category occurred in Law Enforcement as a result of a $1.3 million increase in payments of the R.C.M.P. for the provincial share of police services provided.

NOTE 4: PUBLIC DEBT ($114.8 million increase)

The increase in departmental spending in this category is mainly attributable to a net increase of $78.7 million in interest and related expenses. The major factors contributing to the increase were an increase of $48.1 million in interest costs due to foreign currency fluctuations; a $45.4 million increase in net interest costs on

long-term financing, and a net increase of $10.3 million in costs related to the cash management program. These increases were partially offset by a $13.5 million increase in investment earnings from the Provincial Sinking Fund, an $8.1 million increase in interest recoveries from Crown Corporations and Government Agencies, and a $5.3 million increase in interest received on Manitoba Properties Inc. notes.

Hydro Rates Stabilization expenditures increased by $36.0 million as a result of increased interest payments and costs on maturity of debt obligations related to Manitoba Hydro's foreign currency debt amounting to $31.6 million, of which $25.9 million relates to the call of an $80 million Manitoba Hydro Swiss Franc issue and subsequent bridge financing, and a $4.2 million expenditure to recognize the Province's liability for Manitoba Hydro's U.S. dollar debt to March 31, 1987 at which time Manitoba Hydro assumed responsibility for their own U.S. dollar debt.

NOTE 5: CAPITAL
($27.4 million decrease)

The net decrease of $27.4 million in this category was mainly the result of the following:

a) **GOVERNMENT SERVICES**
($11.6 million decrease)

A net decrease of $11.6 million in capital spending occurred mainly because there was a $4.9 million decrease attributable to the completion of construction on major projects in 1985-86 and also a $4.1 million decrease because of the transfer of responsibility of provincial buildings to M.P.I. .

b) **MANITOBA JOBS FUND**
($6.7 million decrease)

The most significant decrease in Jobs Fund capital spending was a $10.1 million decrease in expenditures related to Community and Capital Asset programs, primarily due to the completion of various projects in 1985-86. Partially offsetting the decrease was a net increase of $5.4 million in the Economic Development Program. This increase was the result of a $6.4 million increase due to the implementation of the Churchill Hydro Line Project in 1986-87 and a decrease of $1.0 million in capital costs associated with the Limestone Training and Development Agency.

c) **URBAN AFFAIRS**
($5.3 million decrease)

The decrease in departmental expenditures in this category is attributable to: a net decrease of $3.2 million in financial assistance provided to the City of Winnipeg due to the completion of several capital projects in 1985-86; and a net decrease of $1.7 million in Canada-Manitoba Winnipeg Core Area Agreement expenditures, largely due to delays in finalizing property expropriation settlements and to reduced levels of activity as the Agreement is nearing completion.

d) **NATURAL RESOURCES**
($3.9 million decrease)

The net decrease in departmental expenditures in this category is attributable to the termination of the Canada/Manitoba Value Added Crops Production Agreement on March 31, 1986 which resulted in a $3.1 million decrease in capital spending.

NOTE 6: SOCIAL ASSISTANCE RELATED
($21.9 million increase)

The increase in this category is mainly due to the following:

a) **EMPLOYMENT SERVICES AND ECONOMIC SECURITY**
($14.1 million increase)

The increase in departmental expenditures in this category is mainly attributable to an increase of $8.5 million in Social Allowance Assistance provided to individuals. This represents a $4.2 million or 2.5% increase in caseload and a $4.3 million or 3.7% increase in the cost per case. In addition, program expansion resulted in increases of $4.0 million and $1.5 million for the Manitoba Supplement to Pensioners and the Child Related Income Support Program, respectively.

b) **COMMUNITY SERVICES**
($6.9 million increase)

The increase in departmental expenditures in this category is mainly attributable to: a $3.4 million increase in financial assistance provided through Community Social Services Programs, primarily due to an increase in the number and the associated cost of placing physically and mentally disabled persons into community residences and a $2.4 million increase in the Maintenance of Children program as a result of an increase in the number and the cost of placing special rate foster care children.

EXPENDITURE OBJECT CODE CATEGORIES

PERSONNEL SERVICES

All salaries and wages paid to Ministers, contract employees and regular civil servants are included in this category. Also included are indemnities, living and constituency allowances paid to MLA's, overtime, remoteness allowances, shift premiums and other negotiated payments for all employees. The employer portion of mandatory contributions to UIC, CPP, Workers' Compensation, etc. are considered as personnel costs and are reported under this category.

GRANTS/TRANSFER PAYMENTS

Payments to various individuals and organizations in support of various projects and programs including bursaries, cultural activities, charitable organizations, etc. Grants, other than for capital purposes, and transfer payments to other governments and government agencies are reported in this category.

TRANSPORTATION

Payments made for the transportation of government personnel, including Ministers and M.L.A.'s, other citizens and commodities are included in this category. Other costs of travelling such as accommodation and meals are recorded separately under "Other Operating" costs category.

COMMUNICATION

The cost of telephones, telex, postage and other costs related to the dissemination of information to the public or to employees of the government are included in this category.

SUPPLIES AND SERVICES

The cost of goods and services that are used in the current operations of the government such as construction materials, office supplies, utilities, rental of equipment and vehicles and the payment to outside professional persons and firms are included in this category.

PUBLIC DEBT

This includes the costs related to the public debt of the Province such as debt redemptions, premiums, interest and charges by banks for exchange, services, etc.

CAPITAL

The costs for construction or purchases of physical assets that have a useful life in excess of one year including grants made for the acquisition of capital assets by recipient individuals and organizations, are recorded in this category.

OTHER OPERATING

The payments for accommodation and meals for civil servants while on government business are shown under this classification. Also included are computer related expenditures, insurance, employer educational assistance and other costs that cannot be included in another category.

SOCIAL ASSISTANCE AND RELATED COSTS

This classification represents expenditures for goods, services and for benefits provided to citizens for their direct consumption as social assistance provisions.

GOVERNMENT OF THE PROVINCE OF MANITOBA

DEPARTMENTAL APPROPRIATIONS AND EXPENDITURES

Recording Amounts Authorized, Expended and Unexpended
For the Year Ended March 31, 1987

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	LEGISLATION (I)				
1.	Indemnities (Statutory)		$ 2,093,508	$ 2,093,508	$ -
2.	Retirement Allowances (Statutory)		809,945	809,945	-
3.	Members' Allowances (Statutory)		711,329	711,329	-
4.	Other Assembly Expenditures				
	Main Estimate	$ 1,646,000			
	Special Warrant	129,600	1,775,600	1,706,356	69,244
5.	Provincial Auditor's Office				
	Main Estimate		2,386,900	2,325,375	61,525
6.	Ombudsman				
	Main Estimate	$ 431,800			
	Special Warrant	52,100	483,900	480,238	3,662
7.	Elections Manitoba				
	Main Estimate		3,554,400	2,549,118	1,005,282
			$ 11,815,582	$ 10,675,869	$ 1,139,713
	EXECUTIVE COUNCIL (II)				
1.	General Administration				
	Main Estimate		$ 2,601,900	$ 2,540,020	$ 61,880
			$ 2,601,900	$ 2,540,020	$ 61,880
	AGRICULTURE (III)				
1.	Administration and Finance				
	Main Estimate		$ 2,604,600	$ 2,390,629	$ 213,971
2.	Manitoba Crop Insurance Corporation				
	Main Estimate	$ 4,670,900			
	Main Estimate *	747,000	5,417,900	5,372,833	45,067
3.	Manitoba Agricultural Credit Corporation				
	Main Estimate	$ 14,106,800			
	Special Warrant	2,160,000	16,266,800	7,542,627	8,724,173
4.	Agricultural Development and Marketing Division				
	Main Estimate	$ 11,126,200			
	Special Warrant	61,800	11,188,000	10,946,876	241,124
5.	Farm and Rural Development Division				
	Main Estimate		11,867,600	11,550,388	317,212
6.	Policy and Economics Division				
	Main Estimate		2,074,100	1,940,167	133,933
7.	Federal Provincial Agreements				
	Main Estimate	$ 1,096,200			
	Main Estimate *	274,100	1,370,300	1,301,529	68,771
8.	Income Insurance Fund				
	Main Estimate	$ 12,606,200			
	Special Warrant	1,725,800	14,332,000	14,144,653	187,347
	Carried Forward		$ 65,121,300	$ 55,189,702	$ 9,931,598

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 65,121,300	$ 55,189,702	$ 9,931,598
9.	Drugs and Semen Purchases				
	Main Estimate	$ 5,299,600			
	Special Warrant	848,700	6,148,300	6,147,169	1,131
10.	Expenditures Related to Capital				
	Main Estimate	$ 4,820,000			
	Special Warrant	636,000	5,456,000	5,343,567	112,433
			$ 76,725,600	$ 66,680,438	$ 10,045,162
	ATTORNEY-GENERAL (IV)				
1.	Administration and Finance				
	Main Estimate		$ 2,950,100	$ 2,925,108	$ 24,992
2.	Criminal Justice				
	Main Estimate	$ 4,995,900			
	Special Warrant	177,100	5,173,000	5,157,978	15,022
3.	Legal Services				
	Main Estimate		4 765,200	4,312,462	452,738
4.	Law Enforcement				
	Main Estimate	$ 29,462,800			
	Special Warrant	494,600	29,957,400	29,952,921	4,479
5.	Court Services				
	Main Estimate	$ 16,444,600			
	Special Warrant	357,200	16,801,800	16,753,682	48,118
6.	Protection of Individual and Property Rights				
	Main Estimate	$ 16,371,700			
	Special Warrant	1,354,300	17,726,000	17,665,360	60,640
7.	Judgement (Statutory)		8,512	8,512	–
			$ 77,382,012	$ 76,776,023	$ 605,989
	BUSINESS DEVELOPMENT AND TOURISM (XXXIII)				
1.	Administration				
	Main Estimate		$ 641,900	$ 530,936	$ 110,964
2.	Business Development				
	Main Estimate		3,312,100	3,166,110	145,990
3.	Tourism				
	Main Estimate	$ 10,155,000			
	Main Estimate *	40,000			
	Special Warrant	1,277,500	11,472,500	10,665,904	806,596
4.	Expenditures Related to Capital				
	Main Estimate	$ 2,921,100			
	Main Estimate *	730,300	3,651,400	3,583,061	68,339
			$ 19,077,900	$ 17,946,011	$ 1,131,889
	CIVIL SERVICE (XVII)				
1.	Civil Service Commission				
	Main Estimate		$ 4,311,100	$ 4,144,006	$ 167,094
2.	Civil Service Benefit Plans				
	Main Estimate		42,719,000	39,229,263	3,489,737
3.	Levy for Health and Post-Secondary Education				
	Main Estimate	$ 7,462,100			
	Special Warrant	486,900	7,949,000	7,862,477	86,523
			$ 54,979,100	$ 51,235,746	$ 3,743,354

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	COMMUNITY SERVICES (IX)				
1.	Administration and Finance				
	Main Estimate		$ 3,266,700	$ 3,178,544	$ 88,156
2.	Registration and Licensing Services				
	Main Estimate		1,129,600	1,126,122	3,478
3.	Community Social Services				
	Main Estimate		55,876,900	54,298,713	1,578,187
4.	Child and Family Services				
	Main Estimate	$ 89,011,000			
	Special Warrant	2,633,400	91,644,400	91,367,156	277,244
5.	Corrections				
	Main Estimate	$ 33,473,700			
	Special Warrant	2,071,700	35,545,400	35,518,738	26,662
			$ 187,463,000	$ 185,489,273	$ 1,973,727
	CONSUMER AND CORPORATE AFFAIRS (V)				
1.	Administration and Finance				
	Main Estimate	$ 664,800			
	Special Warrant	32,100	$ 696,900	$ 693,257	$ 3,643
2.	Consumer Affairs				
	Main Estimate		767,700	738,745	28,955
3.	Corporate Affairs				
	Main Estimate	$ 3,007,400			
	Special Warrant	247,900	3,255,300	3,173,718	81,582
			$ 4,719,900	$ 4,605,720	$ 114,180
	CO-OPERATIVE DEVELOPMENT (VI)				
1.	Administration and Finance				
	Main Estimate	$ 490,400			
	Special Warrant	5,300	$ 495,700	$ 491,407	$ 4,293
2.	Co-operative and Credit Union Development and Regulation				
	Main Estimate		1,365,500	1,239,044	126,456
3.	Interest Forgiveness				
	Main Estimate		5,600,000	4,561,245	1,038,755
			$ 7,461,200	$ 6,291,696	$ 1,169,504
	CROWN INVESTMENTS (XXII)				
1.	Crown Investments Administration				
	Main Estimate	$ 614,800			
	Special Warrant	705,000	$ 1,319,800	$ 1,282,360	$ 37,440
			$ 1,319,800	$ 1,282,360	$ 37,440
	CULTURE, HERITAGE AND RECREATION (XIV)				
1.	Administration and Finance				
	Main Estimate	$ 1,153,200			
	Special Warrant	21,200	$ 1,174,400	$ 1,169,707	$ 4,693
2.	Culture, Heritage and Recreation Programs				
	Main Estimate		15,585,900	15,264,651	321,249
3.	Communication Services				
	Main Estimate	$ 3,036,300			
	Special Warrant	293,800	3,330,100	3,366,454	(36,354)
	Carried Forward		$ 20,090,400	$ 19,800,812	$ 289,588

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 20,090,400	$ 19,800,812	$ 289,588
4.	Status of Women				
	Main Estimate		582,800	569,171	13,629
5.	Telecommunications Policy				
	Main Estimate		295,100	278,825	16,275
			$ 20,968,300	$ 20,648,808	$ 319,492
	EDUCATION (XVI)				
1.	Administration and Finance				
	Main Estimate	$ 5,197,100			
	Special Warrant	106,600	$ 5,303,700	$ 5,229,837	$ 73,863
2.	Statutory Boards and Commissions				
	Main Estimate		21,514,200	21,003,863	510,337
3.	Financial Support – Public Schools				
	Main Estimate		401,360,500	386,042,604	15,317,896
4.	Program Development Support Services				
	Main Estimate	$ 16,046,300			
	Special Warrant	354,400	16,400,700	16,400,010	690
5.	Post-Secondary, Adult and Continuing Education				
	Main Estimate	$ 61,590,900			
	Special Warrant	3,566,600	65,157,500	64,311,415	846,085
6.	Universities Grants Commission				
	Main Estimate		162,161,300	162,146,416	14,884
7.	Bureau de l'Education Francaise				
	Main Estimate	$ 3,499,700			
	Special Warrant	250,900	3,750,600	3,708,000	42,600
8.	Expenditures Related to Capital				
	Main Estimate		25,729,900	24,886,084	843,816
9.	Judgement (Statutory)		12,000	12,000	–
			$ 701,390,400	$ 683,740,229	$ 17,650,171
	EMPLOYMENT SERVICES AND ECONOMIC SECURITY (XXXIV)				
1.	Administration and Finance				
	Main Estimate	$ 2,402,200			
	Special Warrant	46,600	$ 2,448,800	$ 2,439,475	$ 9,325
2.	Economic Security				
	Main Estimate	$ 191,245,600			
	Special Warrant	12,077,200	203,322,800	196,946,390	6,376,410
3.	Employment Services				
	Main Estimate	13,269,100			
	Special Warrant	16,500	13,285,600	13,145,413	140,187
4.	Manitoba Bureau of Statistics				
	Main Estimate		326,000	324,990	1,010
			$ 219,383,200	$ 212,856,268	$ 6,526,932
	ENERGY AND MINES (XXIII)				
1.	Administration and Finance				
	Main Estimate		$ 1,120,700	$ 1,109,602	$ 11,098
2.	Energy				
	Main Estimate	$ 5,002,600			
	Main Estimate *	37,606	5,040,206	4,574,059	466,147
	Carried Forward		$ 6,160,906	$ 5,683,661	$ 477,245

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 6,160,906	$ 5,683,661	$ 477,245
3.	Mineral Resources				
	Main Estimate	$ 6,098,800			
	Main Estimate *	404,900			
	Special Warrant	76,500	6,580,200	6,310,430	269,770
4.	Expenditures Related to Capital				
	Main Estimate	$ 215,400			
	Main Estimate *	17,600	233,000	83,348	149,652
			$ 12,974,106	$ 12,077,439	$ 896,667
	ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH (XXXI)				
1.	Administration and Finance				
	Main Estimate		$ 1,345,900	$ 1,290,849	$ 55,051
2.	Environmental Management				
	Main Estimate		7,145,900	6,672,873	473,027
3.	Clean Environment Commission				
	Main Estimate		327,200	325,552	1,648
4.	Manitoba Environmental Council				
	Main Estimate		59,400	55,627	3,773
5.	Workplace and Worker Services				
	Main Estimate		3,443,100	3,298,861	144,239
			$ 12,321,500	$ 11,643,762	$ 677,738
	FINANCE (VII)				
1.	Administration and Finance				
	Main Estimate	$ 813,600			
	Special Warrant	45,100	$ 858,700	$ 857,786	$ 914
2.	Treasury Division				
	Main Estimate	$ 934,400			
	Special Warrant	39,700	974,100	955,132	18,968
3.	Comptroller's Division				
	Main Estimate		4,488,000	4,429,242	58,758
4.	Taxation Division				
	Main Estimate		7,741,300	7,482,027	259,273
5.	Federal–Provincial Relations and Research Division				
	Main Estimate	$ 1,203,300			
	Special Warrant	126,100	1,329,400	1,324,613	4,787
6.	Administrative Policy/Insurance and Risk Management				
	Main Estimate	$ 927,500			
	Special Warrant	218,900	1,146,400	1,064,536	81,864
7.	Tax Credit Payments				
	Main Estimate	$ 204,000,000			
	Special Warrant	3,000,000	207,000,000	205,331,054	1,668,946
8.	Local Government General Support Grant				
	Main Estimate	$ 13,800,000			
	Special Warrant	75,000	13,875,000	13,866,619	8,381
9.	Public Debt (Statutory)		351,484,214	351,484,214	–
10.	Hydro Rates Stabilization (Statutory)		70,039,462	70,039,462	–
11.	Judgement (Statutory)		438,909	438,909	–
12.	Flyer Industries (Statutory)		10,000,000	10,000,000	–
13.	Judgement (Statutory)		2,000	2,000	–
			$ 669,377,485	$ 667,275,594	$ 2,101,891

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	GOVERNMENT SERVICES (VIII)				
1.	Administration				
	Main Estimate		$ 1,926,500	$ 1,908,669	$ 17,831
2.	Property Management				
	Main Estimate		109,306,100	106,689,750	2,616,350
3.	Supply and Services				
	Main Estimate	$ 2,604,200			
	Special Warrant	402,100	3,006,300	2,930,591	75,709
4.	Project Services				
	Main Estimate	$ 2,851,300			
	Special Warrant	319,400	3,170,700	3,153,531	17,169
5.	Land Value Appraisal Commission				
	Main Estimate		61,900	35,292	26,608
6.	Emergency Measures Organization				
	Main Estimate		686,400	637,552	48,848
7.	Expenditures Related to Capital				
	Main Estimate		13,494,800	11,451,158	2,043,642
			$ 131,652,700	$ 126,806,543	$ 4,846,157
	HEALTH (XXI)				
1.	Administration and Finance				
	Main Estimate		$ 2,668,700	$ 2,585,159	$ 83,541
2.	Community Health Services (Programs)				
	Main Estimate	$ 42,793,800			
	Special Warrant	8,662,700	51,456,500	50,503,140	953,360
3.	Community Health Services (Operations)				
	Main Estimate	$ 23,495,100			
	Special Warrant	708,100	24,203,200	23,775,965	427,235
4.	Mental Health Services				
	Main Estimate		39,252,700	37,580,795	1,671,905
5.	Sport				
	Main Estimate		661,800	656,540	5,260
6.	The Alcoholism Foundation of Manitoba				
	Main Estimate		10,136,300	9,933,600	202,700
7.	Manitoba Health Services Commission				
	Main Estimate	$ 1,061,202,300			
	Special Warrant	25,810,700	1,087,013,000	1,087,013,000	–
8.	Expenditures Related to Capital–Manitoba Health Services Commission				
	Main Estimate		29,584,500	26,429,100	3,155,400
			$ 1,244,976,700	$ 1,238,477,299	$ 6,499,401
	HIGHWAYS AND TRANSPORTATION (XV)				
1.	Administration and Finance				
	Main Estimate		$ 3,261,000	$ 3,080,104	$ 180,896
2.	Operations and Maintenance				
	Main Estimate	$ 67,966,600			
	Special Warrant	1,299,200	69,265,800	68,881,653	384,147
3.	Planning and Design and Land Surveys				
	Main Estimate		2,863,000	2,766,050	96,950
4.	Engineering and Technical Services				
	Main Estimate	$ 11,451,900			
	Special Warrant	1,200,000	12,651,900	11,876,855	775,045
	Carried Forward		$ 88,041,700	$ 86,604,662	$ 1,437,038

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	Brought Forward		$ 88,041,700	$ 86,604,662	$ 1,437,038
5.	Transportation Policy and Research				
	Main Estimate		1,334,900	1,200,022	134,878
6.	Driver and Vehicle Licensing				
	Main Estimate		12,554,900	12,498,941	55,959
7.	Boards and Committees				
	Main Estimate		1,189,600	1,135,377	54,223
8.	Expenditures Related to Capital				
	Main Estimate	$ 96,939,000			
	Special Warrant	327,500	97,266,500	95,258,340	2,008,160
			$ 200,387,600	$ 196,697,342	$ 3,690,258
	HOUSING (XXX)				
1.	General Administration				
	Main Estimate		$ 3,618,200	$ 3,224,651	$ 393,549
2.	Property Management and Landlord and Tenant Affairs				
	Main Estimate		3,176,600	2,923,154	253,446
3.	Program Delivery				
	Main Estimate		12,094,800	10,397,358	1,697,442
4.	Transfer Payments to the Manitoba Housing and Renewal Corporation				
	Main Estimate		25,272,400	23,620,751	1,651,649
5.	Expenditures Related to Capital				
	Main Estimate		2,000,000	1,029,709	970,291
			$ 46,162,000	$ 41,195,623	$ 4,966,377
	INDUSTRY, TRADE AND TECHNOLOGY (X)				
1.	Administration and Finance				
	Main Estimate		$ 2,510,000	$ 2,369,153	$ 140,847
2.	Industry and Trade Division				
	Main Estimate		2,746,100	2,731,890	14,210
3.	Technology Division				
	Main Estimate		3,563,200	3,440,167	123,033
4.	Canada–Manitoba Economic Development Planning Agreement				
	Main Estimate	$ 100,000			
	Main Estimate *	185,000	285,000	235,346	49,654
			$ 9,104,300	$ 8,776,556	$ 327,744
	LABOUR (XI)				
1.	Administration and Finance				
	Main Estimate		$ 1,444,300	$ 1,394,220	$ 50,080
2.	Labour				
	Main Estimate	$ 7,848,200			
	Special Warrant	493,400	8,341,600	7,916,570	425,030
3.	Expenditures Related to Capital				
	Main Estimate		41,000	40,418	582
4.	Judgement (Statutory)		52,298	52,298	–
			$ 9,879,198	$ 9,403,506	$ 475,692

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	MUNICIPAL AFFAIRS (XIII)				
1.	Administration and Finance				
	Main Estimate		$ 1,051,900	$ 997,020	$ 54,880
2.	Municipal Board				
	Main Estimate		327,000	293,076	33,924
3.	Municipal Advisory and Financial Services				
	Main Estimate	$ 26,334,700			
	Special Warrant	1,900,000	28,234,700	27,935,880	298,820
4.	Municipal Assessments				
	Main Estimate		4,602,400	4,457,041	145,359
5.	Systems Services				
	Main Estimate		1,091,500	849,734	241,766
6.	Municipal Planning Services				
	Main Estimate		2,937,600	2,879,378	58,222
7.	Provincial Planning				
	Main Estimate		371,100	370,068	1,032
8.	Surface Rights Board				
	Main Estimate		135,600	98,454	37,146
9.	Expenditures Related to Capital				
	Main Estimate		2,150,000	1,128,391	1,021,609
			$ 40,901,800	$ 39,009,042	$ 1,892,758
	NATURAL RESOURCES (XII)				
1.	Administration and Finance				
	Main Estimate	$ 3,950,800			
	Special Warrant	59,600	$ 4,010,400	$ 3,935,172	$ 75,228
2.	Regional Services				
	Main Estimate		20,919,800	20,108,203	811,597
3.	Engineering and Construction				
	Main Estimate	$ 6,721,900			
	Special Warrant	30,800	6,752,700	6,704,308	48,392
4.	Water Resources				
	Main Estimate		8,854,300	8,481,023	373,277
5.	Parks				
	Main Estimate		13,517,500	13,219,104	298,396
6.	Lands				
	Main Estimate		1,975,500	1,946,478	29,022
7.	Forestry				
	Main Estimate	$ 7,329,200			
	Special Warrant	56,800	7,386,000	7,294,750	91,250
8.	Fisheries				
	Main Estimate	$ 3,733,000			
	Special Warrant	162,900	3,895,900	3,891,603	4,297
9.	Wildlife				
	Main Estimate	$ 3,937,900			
	Main Estimate *	520,000			
	Special Warrant	247,200	4,705,100	4,616,778	88,322
10.	Surveys and Mapping				
	Main Estimate		3,065,500	3,008,312	57,188
11.	Resource Support Programs				
	Main Estimate		832,200	733,351	98,849
12.	Expenditures Related to Capital				
	Main Estimate	$ 10,027,000			
	Main Estimate *	300,000	10,327,000	8,782,670	1,544,330
			$ 86,241,900	$ 82,721,752	$ 3,520,148

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	NORTHERN AFFAIRS (XIX)				
1.	Administration and Finance				
	Main Estimate		$ 930,700	$ 918,533	$ 12,167
2.	Local Government Development				
	Main Estimate		7,442,700	7,004,442	438,258
3.	Agreements Management and Co-ordination				
	Main Estimate	$ 2,809,800			
	Main Estimate *	225,900	3,035,700	2,767,939	267,761
4.	Corporate Projects				
	Main Estimate		245,300	122,610	122,690
5.	Northern Development Agreement-Canada-Manitoba				
	Main Estimate	$ 9,754,200			
	Main Estimate *	2,419,200	12,173,400	11,497,721	675,679
6.	Expenditures Related to Capital				
	Main Estimate	$ 5,354,500			
	Main Estimate *	330,000	5,684,500	5,386,488	298,012
			$ 29,512,300	$ 27,697,733	$ 1,814,567
	URBAN AFFAIRS (XX)				
1.	Administration and Finance				
	Main Estimate		$ 512,500	$ 506,149	$ 6,351
2.	Financial Assistance to the City of Winnipeg				
	Main Estimate		34,544,600	34,054,237	490,363
3.	Urban Policy Co-ordination				
	Main Estimate	$ 3,025,100			
	Main Estimate *	617,100	3,642,200	3,236,527	405,673
4.	Expenditures Related to Capital				
	Main Estimate	$ 21,395,700			
	Main Estimate *	258,300	21,654,000	19,070,602	2,583,398
			$ 60,353,300	$ 56,867,515	$ 3,485,785
	CANADA-MANITOBA ENABLING VOTE (XXVI)				
1.	Canada-Manitoba Enabling Vote				
	Main Estimate	$ 8,165,200			
	Main Estimate *	(7,107,006)	$ 1,058,194	$ -	$ 1,058,194
			$ 1,058,194	$ -	$ 1,058,194
	PUBLIC SCHOOLS SUPPORT (XXVII)				
1.	Public Schools Working Capital Advance				
	Special Warrant		$ 12,500,000	$ 12,500,000	$ -
			$ 12,500,000	$ 12,500,000	$ -
	EMERGENCY INTEREST RATE RELIEF (XXVIII)				
1.	Emergency Interest Rate Relief Program				
	Main Estimate	$ 1,184,000			
	Special Warrant	897,800	$ 2,081,800	$ 1,442,395	$ 639,405
			$ 2,081,800	$ 1,442,395	$ 639,405

Approp. No.	Department and Appropriation		Amount Authorized	Expended	Unexpended
	FLOOD CONTROL AND EMERGENCY EXPENDITURES (XVIII)				
1.	Flood Control and Emergency Expenditures				
	Main Estimate	$ 1,000,000			
	Special Warrant	3,700,000	$ 4,700,000	$ 3,491,066	$ 1,208,934
			$ 4,700,000	$ 3,491,066	$ 1,208,934
	MANITOBA JOBS FUND (XXIX)				
1.	Manitoba Jobs Fund				
	Main Estimate		$ 78,458,600	$ 68,725,827	$ 9,732,773
			$ 78,458,600	$ 68,725,827	$ 9,732,773

SUMMARY OF DEPARTMENTAL APPROPRIATIONS AND EXPENDITURES

For The Year Ended 31st March, 1987

Department	Amount Authorized	Expended	Unexpended
Legislation	$ 11,815,582	$ 10,675,869	$ 1,139,713
Executive Council	2,601,900	2,540,020	61,880
Agriculture	76,725,600	66,680,438	10,045,162
Attorney-General	77,382,012	76,776,023	605,989
Business Development and Tourism	19,077,900	17,946,011	1,131,889
Civil Service	54,979,100	51,235,746	3,743,354
Community Services	187,463,000	185,489,273	1,973,727
Consumer and Corporate Affairs	4,719,900	4,605,720	114,180
Co-operative Development	7,461,200	6,291,696	1,169,504
Crown Investments	1,319,800	1,282,360	37,440
Culture, Heritage and Recreation	20,968,300	20,648,808	319,492
Education	701,390,400	683,740,229	17,650,171
Employment Services and Economic Security	219,383,200	212,856,268	6,526,932
Energy and Mines	12,974,106	12,077,439	896,667
Environment and Workplace Safety and Health	12,321,500	11,643,762	677,738
Finance	669,377,485	667,275,594	2,101,891
Government Services	131,652,700	126,806,543	4,846,157
Health	1,244,976,700	1,238,477,299	6,499,401
Highways and Transportation	200,387,600	196,697,342	3,690,258
Housing	46,162,000	41,195,623	4,966,377
Industry Trade and Technology	9,104,300	8,776,556	327,744
Labour	9,879,198	9,403,506	475,692
Municipal Affairs	40,901,800	39,009,042	1,892,758
Natural Resources	86,241,900	82,721,752	3,520,148
Northern Affairs	29,512,300	27,697,733	1,814,567
Urban Affairs	60,353,300	56,867,515	3,485,785
Canada-Manitoba Enabling Vote	1,058,194	–	1,058,194
Public Schools Support	12,500,000	12,500,000	–
Emergency Interest Rate Relief	2,081,800	1,442,395	639,405
Flood Control and Emergency Expenditures	4,700,000	3,491,066	1,208,934
Manitoba Jobs Funds	78,458,600	68,725,827	9,732,773
	$ 4,037,931,377	$ 3,945,577,455	$ 92,353,922

RECONCILIATION WITH THE APPROPRIATION ACT, 1986, SPECIAL WARRANTS, ETC.

Departmental Appropriations Authorized by "The Appropriation Act, 1986"	$ 3,507,728,900
Amount Authorized by Special warrants Pages 4-42 to 4-43	94,550,300
Statutory Appropriations:	
Members and Speakers Indemnities and Allowances	3,614,782
Public Debt	351,484,214
Hydro Rates Stabilization	70,039,462
Flyer Industries Ltd.	10,000,000
Judgements - Attorney-General, Finance, Education and Labour	513,719
	$ 4,037,931,377

*Main Estimate Authority transferred from appropriation XXVI-I, Canada-Manitoba Enabling Vote to various departmental appropriations pursuant to the Appropriation Act, 1986 Section 5, Subsection 1.

NOTE 1: The Queen's Printer Appropriation XIV-3 under the Department of Culture, Heritage and Recreation processed expenditures in excess of that recovered from Departments totalling $122,141 as follows:

Total Expended	$ 5,179,792
Recoveries	3,900,451
	$ 1,279,341
Less: Authorized	1,157,200
Net Overexpended	$ 122,141

Pursuant to Section 6 of the Appropriation Act 1986, these expenditures were made in anticipation of recoveries in the 1987/88 fiscal year.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF GROSS CAPITAL EXPENDITURES AND FUTURE CONTRACT COMMITMENTS

For the Year Ended March 31, 1987

DEPARTMENT	APPROPRIATION NUMBER	1986-87 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1987
LEGISLATION:			
Minor Capital from Current Operating Appropriations		$ 80,537	
EXECUTIVE COUNCIL:			
Minor Capital from Current Operating Appropriations		$ 9,550	
AGRICULTURE:			
Water Development Grants	3-10A-1	$ 494,208	
Future Water Use	3-10A-2	35,249	
Sewer and Water Grants	3-10A-3	4,814,110	$ 13,289,082
Minor Capital from Current Operating Appropriations		628,646	
Rentals/Lease Agreements			115,461
		$ 5,972,213	$ 13,404,543
ATTORNEY-GENERAL:			
Minor Capital from Current Operating Appropriations		$ 733,925	
Rental/Lease Agreements			$ 123,600
		$ 733,925	$ 123,600
BUSINESS DEVELOPMENT AND TOURISM:			
Destination Manitoba	33-4A-1	$ 2,883,061	$ 375,000
Canada/Manitoba Tourism Agreement	33-4A-2	700,000	1,625,000
Minor Capital from Current Operating Appropriations		199,305	
Rental/Lease Agreements			16,875
		$ 3,782,366	$ 2,016,875
CIVIL SERVICE:			
Minor Capital from Current Operating Appropriations		$ 149,558	
COMMUNITY SERVICES:			
Minor Capital from Current Operating Appropriations		$ 602,132	
CONSUMER AND CORPORATE AFFAIRS:			
Minor Capital from Current Operating Appropriations		$ 57,468	
CO-OPERATIVE DEVELOPMENT:			
Minor Capital from Current Operating Appropriations		$ 7,414	
CROWN INVESTMENTS:			
Minor Capital from Current Operating Appropriations		$ 4,453	
CULTURE, HERITAGE AND RECREATION:			
Minor Capital from Current Operating Appropriations		$ 369,751	
Rental/Lease Agreements			$ 176,500
		$ 369,751	$ 176,500

DEPARTMENT	APPROPRIATION NUMBER	1986-87 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1987
EDUCATION:			
Red River Community College	16-8A-1	$ 635,958	$ 925
Assiniboine Community College	16-8A-2	362,302	5,832
Keewatin Community College	16-8A-3	221,368	8,745
Universities	16-8B-1	4,074,056	
School Divisions	16-8B-2	19,592,400	
Minor Capital from Current Operating Appropriations		511,354	
Rental/Lease Agreements			7,321,500
		$ 25,397,438	$ 7,337,002
EMPLOYMENT SERVICES AND ECONOMIC SECURITY:			
Minor Capital from Current Operating Appropriations		$ 326,129	
Rental/Lease Agreements			$ 788,600
		$ 326,129	$ 788,600
ENERGY AND MINES:			
Canada/Manitoba Mineral Agreement	23-4A	$ 83,348	
Minor Capital from Current Operating Appropriations		226,006	
		$ 309,354	
ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH:			
Minor Capital from Current Operating Appropriations		$ 33,954	
FINANCE:			
Minor Capital from Current Operating Appropriations		$ 282,782	
Rental/Lease Agreements			$ 42,172
		$ 282,782	$ 42,172
FLOOD CONTROL AND EMERGENCY EXPENDITURES:			
Minor Capital from Current Operating Appropriations		$ 7,560	
GOVERNMENT SERVICES:			
Development Centre - Portage la Prairie	8-7A-1	$ 24,500	
Minor Projects - Culture Heritage and Recreation	8-7A-2	518,280	
Old Law Courts - Winnipeg	8-7A-3	4,688	$ 408,759
Relocate Departments - Selkirk	8-7A-4	431,546	266,700
Main Building - Headingly Correctional Institute	8-7A-5	233,483	155,260
New Court House - Winnipeg	8-7A-6	83,375	496
Heaps Building - Winnipeg	8-7A-9	1,953,629	9,943
Minor Projects - Community Services	8-7A-10	148,932	3,373
Systems Equipment	8-7A-11	199,876	
Red River Community College	8-7A-12	23,716	
Office Equipment - Replacement	8-7A-13	363,743	56,602
Parkland Training Centre - Dauphin	8-7A-14	377,894	749
Carry-over Projects - Government Services	8-7A-15	492,659	25,144
Minor Projects - Highways & Transportation	8-7A-16	449,162	225,708
New Provincial Building - Flin Flon	8-7A-17	36,111	
Norquay Building Upgrade - Winnipeg	8-7A-19	3,816	
Minor Projects - Government Services	8-7A-20	557,176	312,826
Selkirk Mental Health Centre	8-7A-21	47,186	
Carried Forward		$ 5,949,772	$ 1,465,560

DEPARTMENT	APPROPRIATION NUMBER	1986-87 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1987
Brought Forward		$ 5,949,772	$ 1,465,560
Brandon Mental Health Centre	8-7A-22	31,387	184
Minor Projects - Education	8-7A-23	88,179	2,173
Minor Projects - Finance	8-7A-24	24,023	
Office Equipment - New	8-7A-25	111,368	18,697
North Portage Development	8-7A-26	248,986	12,251,029
Preventative Maintenance Projects	8-7A-30	689,196	28,607
Fire and Safety Projects	8-7A-31	52,548	1,746
Physical Plant Projects	8-7A-32	49,744	
Dutch Elm Program	8-7A-33	29,713	
Gimli Park - Miscellaneous Projects	8-7A-34	45,540	4,391
Employee Housing Projects	8-7A-35	55,002	9,302
Workplace Safety Projects	8-7A-36	13,524	545
Energy Management Projects	8-7A-37	56,236	
Property Management - Administrative Services	8-7A-38	150,028	
Vehicle Replacement	8-7B	3,855,912	42,810
Minor Capital from Current Operating Appropriations		686,524	
Self Constructed Assets from Current Operating Appropriations		481,117	
Property Management			$ 25,579
Rental/Lease Agreements			203,126,380
		$ 12,618,799	$ 216,977,003
HEALTH:			
Acquisition/Construction Physical Assets	21-8A	$ 1,776,200	
Capital Grants	21-8B	24,652,900	
Minor Capital from Current Operating Appropriations		923,209	
Computer Related Commitments Equipment Purchases - MHSC			$ 31,800,000
Rental/Lease Agreements			5,037,000
		$ 27,352,309	$ 36,837,000
HIGHWAYS AND TRANSPORTATION:			
Construction - Roads and Projects	15-8A	$ 84,309,910	$ 15,050,779
Aid to Cities, Towns and Villages	15-8B	1,147,119	
L.G.D.'s and Unorganized Territories	15-8C	4,140,801	49,283
Access to Remote Communities	15-8D	493,745	
Airport Improvements	15-8E-1A	581,666	57,281
Gravel Pits	15-8E-1B	62,335	
Highways Equipment	15-8E-1C	693,439	
Water Bomber Contract	15-8E-1D	3,832,560	5,533,657
Buildings and Storage Yards	15-8E-1E	457,391	
Improvements to Weigh Scales	15-8E-1F	69,340	
Carried Forward		$ 95,788,306	$ 20,691,000

DEPARTMENT	APPROPRIATION NUMBER	1986-87 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1987
Brought Forward		$ 95,788,306	$ 20,691,000
Ferry Landing Improvements	15-8E-1G	42,795	
Grants - Mobility Disadvantaged	15-8E-1H	60,000	
Ferries	15-8E-1J	125,908	200
Norway House Community Roads	15-8E-1K	314,342	
Highways Equipment Reduction	15-8E-1L	(922,000)	
Bridge Material Purchases - Net	15-8F	(73,866)	
Crushed Gravel Purchases - Net	15-8G	(77,145)	118,643
Operations and Maintenance	15-2		445,565
Minor Capital from Current Operating Appropriations		968,047	
Self Constructed Assets From Current Operating Appropriations		9,360,795	
Rental/Lease Agreements			2,748,650
		$ 105,587,182	$ 24,004,058
HOUSING:			
Critical Home Repair Program	30-5A-1	$ 1,029,709	$ 63,242
Administration Support Services	30-1E		48,070
Minor Capital from Current Operating Appropriations		162,919	
Rental/Lease Agreements			2,528
		$ 1,192,628	$ 113,840
INDUSTRY, TRADE AND TECHNOLOGY:			
Minor Capital from Current Operating Appropriations		$ 122,745	
Rental/Lease Agreements			$ 279,600
		$ 122,745	$ 279,600
LABOUR:			
Acquisition/Construction of Physical Assets	11-3A	$ 40,418	
Minor Capital from Current Operating Appropriations		102,735	
Rental/Lease Agreements			$ 19,856
		$ 143,153	$ 19,856
MUNICIPAL AFFAIRS:			
Main Street Manitoba	13-9A-1	$ 1,128,391	$ 279,933
Minor Capital from Current Operating Appropriations		68,374	
Rental/Lease Agreements			13,152
		$ 1,196,765	$ 293,085
NATURAL RESOURCES:			
Northern Park Development	12-12A-5A	$ 232,645	
Finance - Computer Equipment	12-12B-1A	89,931	
Regional - Equipment Purchases	12-12B-2A	203,020	
Regional Infrastructure	12-12B-2B	74,130	
Western Road Maintenance	12-12B-2C	24,989	
Engineering - Materials Inventory	12-12B-3A	(9,856)	
Turtle River Watershed	12-12B-3D	43,460	
Agricultural Production	12-12B-4A	633,674	$ 8,923
Bridge Replacement Program	12-12B-4B	477,207	
Cooks Creek (Agri-Food)	12-12B-4C	358,682	127,452
Pasquia Dyking	12-12B-4D	225,000	
Can/Man Agri-Food Agreement	12-12B-4E	286,670	
Town Dykes	12-12B-4F	637,350	20,841
Escarpment Flood and Erosion	12-12B-4G	83,969	
Can/Man Water Development	12-12B-4H	31,008	
CP Rail Bridge LaRiviere	12-12B-4J	404,848	
Carried Forward		$ 3,796,727	$ 157,216

DEPARTMENT	APPROPRIATION NUMBER	1986-87 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1987
Brought Forward		$ 3,796,727	$ 157,216
Sprague - Sub Division	12-12B-4M	633,370	
Park Infrastructure	12-12B-5A	1,279,519	1,613
Vacation Home Lots	12-12B-5B	139,412	
Facility Enhancement - Net	12-12B-5C	346,478	56,590
Cottage Lot Upgrading	12-12B-6A	100,397	
Equipment Purchases	12-12B-6B	29,399	
Forestry - Equipment Purchases	12-12B-7A	25,402	
Fisheries - Equipment Purchases	12-12B-8A	29,686	
Wildlife Equipment Purchases	12-12B-9A	20,000	
Facility Enhancement	12-12B-9B	35,580	
Oak Hammock Marsh	12-12B-9C	116,030	
Surveys - Equipment Purchases	12-12B-10A	11,172	
Air Photo Negative Recovery	12-12B-10B	80,817	
Digital Mapping Conversion	12-12B-10C	318,000	
Can/Man Agri-Food Agreement	12-12B-12A	59,681	40,500
Capital Grants	12-12C	1,761,000	
Regional Services	12-2		451,803
Water Resources	12-4		15,175
Resource Support Programs	12-11		9,250
Minor Capital from Current Operating Appropriations		1,174,246	
Self Constructed Assets from Current Operating Appropriations		4,625,882	
Rental/Lease Agreements			449,350
		$ 14,582,798	$ 1,181,497
NORTHERN AFFAIRS:			
Other Departments	19-6A-2	$ 1,612,340	
Acquisition/Construction - Other Projects	19-6B-1	3,417,838	$ 57,409
Northern Flood Agreement	19-6B-2	356,310	
Research and Planning	19-1		2,475
Northern Development Agreement-Provincial	19-3A		50
Agreements Management and Co-ordination	19-3B		43,191
Special ARDA Agreement	19-3C		627,430
Sewer and Water Construction			28,247
Minor Capital from Current Operating Appropriations		739,436	
Self Constructed Assets from Current Operating Appropriations		373,257	
		$ 6,499,181	$ 758,802
URBAN AFFAIRS:			
Core Area Initiative Payments - Canada and Wpg	20-4A-1	$ 2,686,080	
North Logan Services-Housing	20-4A-2A	51,056	
Home Ownership - Housing	20-4A-2B	532,958	
Small Business - Business Development and Tourism	20-4A-2C	501,423	
Community Facilities	20-4A-3A	1,042,919	$ 137,060
Land Acquisition	20-4A-3B	2,833,610	3,127,044
Trappist Monastery	20-4B-1C	35,934	
Lockport	20-4B-1E	181,492	
Innovative Transit Old	20-4C-1A	18,156	78,671
Improvement Programs - Old	20-4C-1B	300,385	1,218,729
Urban Transportation - 1985	20-4C-1C	617,667	131,411
Urban Transit - 1985	20-4C-1D	92,644	238,201
Carried Forward		$ 8,894,324	$ 4,931,116

DEPARTMENT	APPROPRIATION NUMBER	1986-87 EXPENDITURE	FUTURE COMMITMENT AT MARCH 31, 1987
Brought Forward		$ 8,894,324	$ 4,931,116
Innovative Transit - 1985	20-4C-1E	58,814	160,507
Park and Zoo Projects - 1985	20-4C-1F	20,206	
Sewage Projects - 1985	20-4C-1G	59,060	
Manitoba Revitalization Community Program - Weston	20-4C-1H	86,722	1,313,278
Sewer - Flood Relief	20-4C-1I	978,634	
Urban Transportation 1986	20-4C-1J	2,352,478	604,522
Urban Transit 1986	20-4C-1K	3,055,761	
Innovative Transit 1986	20-4C-1L		430,000
Manitoba Community Revitalization Program - Spence Memorial	20-4C-1M		1,000,000
Urban Infrastructure	20-4C-1N	2,864,402	3,419,297
Riverbank Development	20-D	643,025	
Other Capital Expenditures	20-4E	57,176	
Urban Capital Projects			16,019,900
Minor Capital from Current Operating Appropriations		567	
		$ 19,071,169	$ 27,878,620
MANITOBA JOBS FUND:			
Expenditures Related to Capital	29-1A-2	$ 13,020,183	
Expenditures Related to Capital	29-1B-2	3,346,400	
Expenditures Related to Capital	29-1C-2	5,001,131	$ 1,156,159
Minor Capital from Current Operating Appropriations		1,432,170	
		$ 22,799,884	$ 1,156,159
TOTAL		$ 249,293,197	$ 333,388,812

NOTE 1: The future commitment amount for Government Services includes three year's rental under a lease agreement with Manitoba Properties Inc. The lease, which has a term of ninety-nine years, provides for annual rentals of $58,962,043 for an initial five year term with provision for renegotiation of rental payments every five years thereafter.

NOTE 2: The Appropriation Act, 1986 authorizes the Government to commit expenditures up to an amount not exceeding $400,000,000 for the purpose of ensuring completion of projects or fulfilling contracts initiated prior to March 31, 1987. Any expenditures so committed must be included in the estimates of the fiscal year in which the expenditures are expected to be made.

Accordingly, the Departmental commitments shown relate to long-term ongoing contracts covering the acquisition and/or rental of Capital Assets.

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF SPECIAL WARRANTS OF HIS HONOUR

THE LIEUTENANT-GOVERNOR OF MANITOBA

ISSUED RELATIVE TO THE YEAR ENDED MARCH 31, 1987

LEGISLATION (I):			
11th February, 1987	I-4	Other Assembly Expenditures	$ 129,600
11th February, 1987	I-6	Ombudsman	52,100
AGRICULTURE (III):			
11th February, 1987	III-3	Manitoba Agricultural Credit Corporation	2,160,000
11th February, 1987	III-4	Agricultural Development and Marketing Division	61,800
11th February, 1987	III-8	Income Insurance Fund	1,725,800
11th February, 1987	III-9	Drugs and Semen Purchases	848,700
11th February, 1987	III-10	Expenditures Related to Capital	636,000
ATTORNEY-GENERAL (IV):			
11th February, 1987	IV-2	Criminal Justice	177,100
11th February, 1987	IV-4	Law Enforcement	494,600
11th February, 1987	IV-5	Court Services	357,200
11th February, 1987	IV-6	Protection of Individual and Property Rights	1,354,300
BUSINESS DEVELOPMENT AND TOURISM (XXXIII):			
22nd October, 1986	XXXIII-3	Tourism	1,277,500
CIVIL SERVICE (XVII):			
11th February, 1987	XVII-3	Levy for Health and Post-Secondary Education	486,900
COMMUNITY SERVICES (IX):			
11th February, 1987	IX-4	Child and Family Services	2,633,400
11th February, 1987	IX-5	Corrections	2,071,700
CONSUMER AND CORPORATE AFFAIRS (V):			
11th February, 1987	V-1	Administration and Finance	32,100
11th February, 1987	V-3	Corporate Affairs	247,900
CO-OPERATIVE DEVELOPMENT (VI):			
11th February, 1987	VI-1	Administration and Finance	5,300
CROWN INVESTMENTS (XXII):			
22nd October, 1986	XXII-1	Crown Investments Administration	365,000
11th February, 1987	XXII-1	Crown investments Administration	340,000
CULTURE, HERITAGE AND RECREATION (XIV):			
11th February, 1987	XIV-1	Administration and Finance	21,200
11th February, 1987	XIV-3	Communication Services	293,800
EDUCATION (XVI):			
11th February, 1987	XVI-1	Administration and Finance	106,600
11th February, 1987	XVI-4	Program Development Support Services	354,400
11th February, 1987	XVI-5	Post-Secondary, Adult and Continuing Education	3,566,600
11th February, 1987	XVI-7	Bureau de l'Education Française	250,900
EMPLOYMENT SERVICES AND ECONOMIC SECURITY (XXXIV):			
11th February, 1987	XXXIV-1	Administration and Finance	46,600
11th February, 1987	XXXIV-2	Economic Security	12,077,200
11th February, 1987	XXXIV-3	Employment Services	16,500
Carried Forward			$ 32,190,800

Brought Forward			$ 32,190,800
ENERGY AND MINES (XXIII):			
11th February, 1987	XXIII-3	Mineral Resources	76,500
FINANCE (VII):			
22nd October, 1986	VII-8	Local Government General Support Grant	75,000
30th January, 1987	VII-7	Tax Credit Payments	3,000,000
11th February, 1987	VII-1	Administration and Finance	45,100
11th February, 1987	VII-2	Treasury Division	39,700
11th February, 1987	VII-5	Federal-Provincial Relations and Research Division	126,100
11th February, 1987	VII-6	Administrative Policy/Insurance and Risk Management	218,900
GOVERNMENT SERVICES (VIII):			
11th February, 1987	VIII-3	Supply and Services	402,100
11th February, 1987	VIII-4	Project Services	319,400
HEALTH (XXI):			
11th February, 1987	XXI-2	Community Health Services Programs	8,662,700
11th February, 1987	XXI-3	Community Health Services Operations	708,100
11th February, 1987	XXI-7	Manitoba Health Services Commission	25,810,700
HIGHWAYS AND TRANSPORTATION (XV):			
11th February, 1987	XV-2	Operations and Maintenance	1,299,200
11th February, 1987	XV-4	Engineering and Technical Services	1,200,000
11th February, 1987	XV-8	Expenditures Related to Capital	327,500
LABOUR (XI):			
11th February, 1987	XI-2	Labour	493,400
MUNICIPAL AFFAIRS (XIII):			
22nd October, 1986	XIII-3	Municipal Advisory and Financial Services	1,900,000
NATURAL RESOURCES (XII):			
11th February, 1987	XII-1	Administration and Finance	59,600
11th February, 1987	XII-3	Engineering and Construction	30,800
11th February, 1987	XII-7	Forestry	56,800
11th February, 1987	XII-8	Fisheries	162,900
11th February, 1987	XII-9	Wildlife	247,200
PUBLIC SCHOOLS SUPPORT (XXVII):			
11th February, 1987	XXVII-1	School Grants and Other Assistance	12,500,000
EMERGENCY INTEREST RATE RELIEF (XXVIII):			
11th February, 1987	XXVIII-1	Emergency Interest Rate Relief Program	897,800
FLOOD CONTROL AND EMERGENCY EXPENDITURE (XVIII):			
22nd October, 1986	XVIII-1	Flood Control and Emergency Expenditures	3,700,000
			$94,550,300

EXPLANATORY COMMENTS REGARDING SPECIAL WARRANTS AS SHOWN ON THE STATEMENT OF SPECIAL WARRANTS For the Year Ended March 31, 1987

Special Warrants amounting to $94,550,300 were issued during the year ended March 31, 1987. The more significant warrants, amounting to $83,862,900 consist of the following:

DEPARTMENT OF AGRICULTURE	
To provide funds for the 1986/87 Bad Debt Write-offs of the Manitoba Agricultural Credit Corporation	$ 2,160,000
To provide additional funds for the purpose of providing assistance under the Hog Income Stabilization Plan	1,725,800
To provide additional funds for Drug and Semen purchases	848,700
To provide additional funds for the purpose of providing grant assistance under the Manitoba Water Services Board Sewer and Water Program	636,000
DEPARTMENT OF ATTORNEY-GENERAL	
To provide additional funds to cover increased expenditure under the Canada-Manitoba Legal Aid Program	1,056,900
DEPARTMENT OF BUSINESS DEVELOPMENT AND TOURISM	
To provide additional funds to cover increased grant assistance to the Manitoba Horse Racing Commission	1,277,500
DEPARTMENT OF COMMUNITY SERVICES	
To provide additional funds to cover increased expenditure under the Maintenance of Children Program	2,121,100
To provide additional funds to cover increased salary costs associated with the Adult Corrections Program	1,299,900
DEPARTMENT OF EDUCATION	
To provide additional funds to cover increased salary costs associated with Red River Community College	649,500
To provide additional funds to cover increased Student Aid Assistance	1,390,000
To provide additional funds to cover increased expenditure under the Canada-Manitoba-Winnipeg Core Area Agreement Employment and Affirmative Action Program	737,100
DEPARTMENT OF EMPLOYMENT SERVICES AND ECONOMIC SECURITY	
To provide additional funds for departmental programs in the Economic Security Division covering Social Allowances, Health Services and Municipal Assistance	9,705,000
To provide additional funds for the purpose of providing increased financial assistance under the Child Related Income Support Program	2,050,000
DEPARTMENT OF FINANCE	
To provide additional funds for the Cost of Living Tax Credit Program	3,000,000
Carried Forward	$ 28,657,500

Brought Forward	$ 28,657,500
DEPARTMENT OF HEALTH	
To provide additional funds to cover increased costs associated with the Home Care Assistance Program	7,875,700
To provide additional funds to cover expenditures associated with the Dental Service Program	787,000
To provide additional funds for programs operated by the Manitoba Health Services Commission as follows: Hospital Program ($4,873,100), Medical Program ($18,823,900), Pharmacare Program ($2,261,800), Personal Care Home Program ($357,700) with corresponding reductions of $255,800 in the Administration Program and $250,000 in the Air Ambulance Program	25,810,700
DEPARTMENT OF HIGHWAYS AND TRANSPORTATION	
To provide additional funds to cover increased expenditure under the Highway Maintenance Program due to the November 1986 Snow Storm	534,200
To provide additional funds to cover a shortfall in anticipated recoveries for Mechanical Equipment Services of $800,000 and Warehouse Stores of $400,000	1,200,000
DEPARTMENT OF MUNICIPAL AFFAIRS	
To provide additional funds for the purpose of providing increased grant assistance to the City of Winnipeg and Other Municipalities	1,900,000
DEPARTMENT OF PUBLIC SCHOOLS SUPPORT	
To provide funds to cover a cash flow shortage for advances to School Divisions which resulted from an accounting change that was implemented in March, 1984. This change in accounting policy allowed for the expenditures of School Divisions incurred in the period January–March to be recorded in the fiscal year they were made rather than be deferred to the following fiscal year	12,500,000
DEPARTMENT OF EMERGENCY INTEREST RATE RELIEF	
To provide additional funds to cover increased expenditure associated with the Emergency Interest Rate Relief Program	897,800
DEPARTMENT OF FLOOD CONTROL AND EMERGENCY EXPENDITURES	
To provide additional funds for the purpose of meeting departmental expenditures and making compensation claims to flood victims as a result of flooding that occurred throughout Manitoba during the months of April to June 1986	3,700,000
	$83,862,900

GOVERNMENT OF THE PROVINCE OF MANITOBA
REPORT OF AMOUNTS PAID TO MEMBERS OF THE ASSEMBLY

AS REQUIRED BY
SECTION 66.3(1) AND SECTION 66.3(2) OF "THE LEGISLATIVE ASSEMBLY ACT"
BEING CAP. L 110 OF THE CONTINUING CONSOLIDATION OF THE STATUTES OF MANITOBA
DURING THE YEAR ENDED 31ST MARCH, 1987

MEMBER	CONSTITUENCY	INDEMNITY	EXPENSE ALLOWANCE	ACCESS, LIVING AND CONSTITUENCY ALLOWANCE	MEMBERS' PRINTING PRIVILEGES	SPECIAL SUPPLIES AND OPERATING ALLOWANCES	TRAVEL ALLOWANCE	PREMIER AND MINISTERS COMPENSATION	PREMIER AND MINISTERS REIMBURSEMENT OF EXPENSES	COMMITTEE SITTINGS INDEMNITY	COMMITTEE SITTINGS REIMBURSEMENT OF EXPENSES	OTHER PAYMENTS COMPENSATION	OTHER PAYMENTS REIMBURSEMENT OF EXPENSES
Adam, A. R.	Ste. Rose	$ —	$ —	$ 54.04	$ —	$ —	$ 103.62	$ —	$ —	$ —	$ —	$ —	$ —
Anstett, Hon. A. J.	Springfield	—	—	—	—	—	—	975.24	—	—	—	—	—
Ashton, S.	Thompson	24,135.68	12,067.84	12,316.71	1,961.97	43,500.00* *	13,626.24	—	—	375.00	174.00	4,361.02(1)	98.00(1)
													325.88
Baker, C.	Lac du Bonnet	24,135.68	12,067.84	6,240.00	2,371.80	—	1,385.28	—	—	—	—	3,170.28(3)	—
Birt, C. T.	Fort Garry	24,135.68	12,067.84	6,877.00	1,400.81	—	—	—	—	—	—	—	695.66
Blake, D.	Minnedosa	24,135.68	12,067.84	11,179.83	895.61	—	4,515.00	—	—	150.00	356.09	—	603.65
Brown, A.	Rhineland	24,135.68	12,067.84	13,833.48	1,501.34	—	2,884.64	—	—	—	—	—	—
Bucklaschuk, Hon. J.	Gimli	24,135.68	12,067.84	9,004.54	2,120.64	—	—	20,531.42	283.15	—	—	—	—
Carstairs, S.	River Heights	24,135.68	12,067.84	7,509.92	950.90	1,500.00	—	—	—	—	—	—	—
Connery, E.	Portage la Prairie	24,135.68	12,067.84	12,604.40	1,162.15	—	1,638.00	—	—	—	—	—	—
Corrin, B.	Ellice	—	—	277.28	—	—	—	—	—	—	—	—	—
Cowan, Hon. J.	Churchill	24,135.68	12,067.84	5,474.02	1,393.35	—	—	20,531.42	146.63	—	—	—	—
Cummings, G.	Ste. Rose	24,135.68	12,067.84	11,159.99	937.83	—	3,668.48	—	—	—	—	—	691.78
Derkach, L.	Roblin–Russell	24,135.68	12,067.84	13,152.04	1,050.39	—	8,172.85	—	—	—	—	—	—
Desjardins, Hon. L. L.	St. Boniface	24,135.68	12,067.84	7,218.78	—	—	—	20,531.42	4,743.48	—	—	—	—
Dodick, D.	Riel	—	—	3,177.06	—	—	—	—	—	—	—	—	—
Doer, Hon. G.	Concordia	24,135.68	12,067.84	289.64	1,501.66	—	—	19,504.87	1,215.64	—	—	—	—
Doern, R.	Elmwood	—	—	176.18	—	—	—	—	—	—	—	—	—
Dolin, M. M.	Kildonan	26,722.32	12,067.84	5,891.35	2,681.95	—	—	—	—	375.00	—	—	—
Downey, J.	Arthur	24,135.68	12,067.84	12,956.10	1,006.25	—	6,275.77	—	—	—	—	—	—
Driedger, A.	Emerson	26,722.32	12,067.84	11,285.09	1,923.68	—	1,617.41	—	—	225.00	162.18	—	—
Ducharme, G.	Riel	24,135.68	12,067.84	5,627.83	2,024.63	—	—	—	—	—	—	—	480.29
Enns, H.	Lakeside	24,135.68	12,067.84	15,296.74	930.01	—	3,039.26	—	—	225.00	—	—	—
Ernst, J.	Charleswood	24,135.68	12,067.84	3,929.84	2,289.45	—	—	—	—	—	—	—	—
Evans, Hon. L.	Brandon East	24,135.68	12,067.84	14,393.27	1,573.53	—	—	20,531.42	2,666.26	—	—	—	468.31
Eyler, P.	River East	—	—	129.00	—	—	—	—	—	—	—	—	—
Filmon, Hon. G.	Tuxedo	24,135.68	12,067.84	5,530.79	1,126.76	—	—	—	—	—	—	20,531.42	899.43
Findlay, G. M.	Virden	24,135.68	12,067.84	11,210.88	1,129.84	—	6,013.12	—	—	—	—	—	—
Fox, P.	Concordia	—	—	1,735.00	—	—	—	—	—	—	—	—	—
Gourlay, D.	Swan River	—	—	—	—	—	660.00	—	—	—	—	—	—
Hammond, G.	Kirkfield Park	24,135.68	12,067.84	5,229.45	1,797.98	—	—	—	—	—	—	—	430.99
Harapiak, Hon. H.	The Pas	24,135.68	12,067.84	3,794.59	1,485.60	—	—	20,531.42	1,940.14	—	—	—	—
Harapiak, Hon. L.	Swan River	24,135.68	12,067.84	10,944.82	1,319.06	—	1,845.00	19,504.87	5,577.38	—	—	1,666.67(4)	—
Harper, Hon. E.	Rupertsland	24,135.68	12,067.84	7,461.04	1,054.60	—	8,413.00	15,499.00	1,072.94	—	—	—	122.10
Hemphill, Hon. M.	Logan	24,135.68	12,067.84	5,408.38	1,591.50	—	—	20,531.42	2,285.18	—	—	—	—
Johnston, F.	Sturgeon Creek	24,135.68	12,067.84	3,870.60	1,938.94	39,000.00*	—	—	—	75.00	—	—	—
Kostyra, Hon. E.	Seven Oaks	24,135.68	12,067.84	2,668.78	2,401.42	—	—	20,531.42	3,670.91	—	—	—	—
Kovnats, A.	Niakwa	24,135.68	12,067.84	850.00	1,357.25	—	—	—	—	—	—	—	—
Lecuyer, Hon. G.	Radisson	24,135.68	12,067.84	2,267.67	1,848.00	—	—	20,531.42	2,339.32	—	—	—	—
Lyon, S.	Charleswood	—	—	2,103.34	—	—	—	—	—	—	—	—	—
Mackling, Hon. A. H.	St. James	24,135.68	12,067.84	3,553.94	2,520.07	—	—	20,531.42	1,097.46	—	—	—	—
Malinowski, D.	St. Johns	—	—	2,278.82	—	—	—	—	—	—	—	—	—
Maloway, J.	Elmwood	24,135.68	12,067.84	6,837.00	2,391.64	—	—	—	—	—	—	—	1,051.60
Manness, C.	Morris	24,135.68	12,067.84	10,291.90	786.13	—	731.36	—	—	225.00	—	—	—
McCrae, J.	Brandon West	24,135.68	12,067.84	9,437.64	1,308.27	—	4,475.20	—	—	75.00	140.08	—	528.64
Mercier, G.	St. Norbert	26,722.32	12,067.84	3,777.07	1,351.82	—	—	—	—	—	—	—	—
Mitchelson, B.	River East	24,135.68	12,067.84	6,705.76	1,609.70	—	—	—	—	—	—	—	—
Nordman, R.	Assiniboia	24,135.68	12,067.84	1,706.11	946.74	—	—	—	—	—	—	—	—
Oleson, C.	Gladstone	24,135.68	12,067.84	11,007.64	1,267.08	—	3,078.50	—	—	—	—	—	—
Orchard, D.	Pembina	24,135.68	12,067.84	13,449.20	2,024.40	—	3,026.21	—	—	225.00	322.50	—	248.88

Pankratz, H.	La Verendrye	24,135.68	12,067.84	12,655.87	2,250.64	—	1,752.19	—	—	—	—	—	—
Parasiuk, Hon. W.	Transcona	24,135.68	12,067.84	3,736.24	1,946.40	—	—	14,687.86	1,772.44	—	—	—	10,466.05
Pawley, Hon. H.	Selkirk	24,135.68	12,067.84	9,592.84	1,972.32	—	—	26,511.42	965.60	—	—	—	—
Penner, Hon. R.	Fort Rouge	24,135.68	12,067.84	4,440.80	2,386.89	—	—	20,531.42	3,585.71	—	—	—	—
Phillips, M.	Wolseley	40,172.31	12,067.84	2,442.15	2,578.21	1,500.00	—	—	—	150.00	—	184.11(2)	—
													1,992.60
Plohman, Hon. J.	Dauphin	24,135.68	12,067.84	9,883.36	1,640.05	—	—	20,531.42	2,956.68	—	—	—	—
Ransom, A. B.	Turtle Mountain	—	—	1,700.00	—	—	194.02	—	—	—	—	—	—
Rocan, D.	Turtle Mountain	24,135.68	12,067.84	13,952.00	934.84	—	3,508.00	—	—	150.00	160.46	—	—
Roch, G.	Springfield	24,135.68	12,067.84	13,872.45	2,154.05	—	542.88	—	—	—	—	—	—
Santos, C.	Burrows	27,756.72	12,067.84	8,031.25	2,432.73	—	—	—	—	—	—	2,994.57(4)	—
Schroeder, Hon. V.	Rossmere	24,135.68	12,067.84	1,624.53	2,240.97	—	—	20,531.42	2,539.75	—	—	—	—
Scott, D.	Inkster	24,135.68	12,067.84	2,677.53	1,742.93	—	—	—	—	375.00	—	3,250.00(2)	57.09(2)
Smith, H.	Ellice	26,625.88	12,067.84	6,837.00	2,414.19	—	—	—	—	150.00	—	95.83	—
Smith, Hon. M.	Osborne	24,135.68	12,067.84	1,956.05	2,570.34	—	—	20,531.42	1,634.25	—	—	—	—
Steen, W.	River Heights	—	—	356.53	—	—	—	—	—	—	—	—	—
Storie, Hon. J.	Flin Flon	24,135.68	12,067.84	2,474.04	1,282.90	—	—	20,531.42	905.01	—	—	—	—
Uruski, Hon. B.	Interlake	24,135.68	12,067.84	8,880.76	1,377.84	—	—	20,531.42	4,388.34	—	—	—	—
Uskiw, Hon. S.	Lac du Bonnet	—	—	1,240.02	—	—	—	—	—	—	—	—	—
Walding, Hon. J.	St. Vital	24,135.68	12,067.84	8,661.95	839.75	—	—	—	—	—	—	—	—
Wasylycia-Leis, J.	St. Johns	24,135.68	12,067.84	6,825.75	2,167.80	—	—	19,504.87	1,067.97	—	—	—	—
		$1,405,641.55	$687,866.88	$444,015.67	$93,867.60	$85,500.00	$81,166.03	$424,159.43	$46,854.24	$2,775.00	$1,315.31	$36,253.90	$19,150.95

Payments authorized by the "Legislative Assembly Act" relate to the first and second sessions of the Thirty-Third Legislature. Amounts shown for reimbursement of expenses are those amounts paid directly to the member and do not include amounts paid directly to suppliers or paid through somebody else on the member's behalf. Printing privileges, as established under Section 66.4(3) of the "Legislative Assembly Act", may be paid directly to printing companies, on behalf of a sitting member, or may be paid as reimbursement to the member.

The Special Supplies and Operating Allowance may not be paid directly to the member but to a person designated by the leader of the party as allowed under Section 66.5(1) and (2) of the "Legislative Assembly Act".

* Mr. J. F. Johnston was the person designated to receive the Special Studies and Operating Allowance for the Progressive Conservative Party.

** Mr. S. Ashton was the person designated to receive the Special Studies and Operating Allowance for the New Democratic Party.

(1)–(4) Remuneration received from a Crown Agency as reported to the Minister of Finance pursuant to Section 66.3 (2) of the "Legislative Assembly Act".

(1) Manitoba Hydro-Electric Board
(2) Manitoba Telephone System Board
(3) Manitoba Water Commission
(4) Manitoba Public Insurance Corporation

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF DEFERRED REVENUES

As At March 31, 1987

AGREEMENT	Balance March 31, 1986	Current Transactions Advances	Current Transactions Claims	Balance March 31, 1987
Atomic Energy of Canada Ltd.	$ –	$ 200,000	$ 192,682	$ 7,318
Fur Trapper Services	117,746	320,000	326,683	111,063
Hillridge School	156,067	–	–	156,067
Industrial Development	214,777	–	214,777	–
Limestone Employment and Training	1,778,262	6,169,438	7,947,700	–
Transportation	2,579	–	2,579	–
Value Added Crops	1,055	122,646	123,701	–
	$ 2,270,486	$ 6,812,084	$ 8,808,122	$ 274,448

NOTE: Claims are made from the funds advanced in proportion to the expenditures made in each fiscal year.

GOVERNMENT OF THE PROVINCE OF MANITOBA

LATE ACCOUNTS

PAID DURING THE YEAR ENDING MARCH 31, 1987 IN ACCORDANCE WITH SUBSECTION 3 OF SECTION 38 OF "THE FINANCIAL ADMINISTRATION ACT" (WITH COMPARATIVE FIGURES FOR LATE ACCOUNTS PAID UP TO AUGUST 31, 1987 DURING THE YEAR ENDING MARCH 31, 1988)

	1986-87	5 MONTHS 1987-88
LEGISLATION (I)		
4. Other Assembly Expenditures	$ 29,198	
6. Ombudsman	1,036	
7. Elections Manitoba	405,971	
	$ 436,205	$ 15,347
EXECUTIVE COUNCIL (II)		
1. General Administration	$ 2,464	
	$ 2,464	$ 6,541
AGRICULTURE (III)		
1. Administration and Finance	$ 6,807	
4. Agricultural Development and Marketing Division	33,676	
5. Farm and Rural Development Division	19,229	
6. Policy and Economics Division	97	
7. Federal – Provincial Agreements	1,874	
9. Drugs and Semen Purchases	19,767	
	$ 81,450	$ 247,313
ATTORNEY-GENERAL (IV)		
1. Administration and Finance	$ 21,878	
2. Criminal Justice	88,654	
3. Legal Services	50,505	
4. Law Enforcement	22,196	
5. Court Services	116,245	
6. Protection of Individual and Property Rights	15,298	
	$ 314,776	$ 338,541
BUSINESS DEVELOPMENT AND TOURISM (XXXIII)		
1. Administration	$ 1,792	
2. Business Development	94,587	
3. Tourism	165,679	
4. Expenditures Related to Capital	12,346	
5. Interest Rate Relief	486	
6. Jobs Fund	106	
	$ 274,996	$ 68,914
CIVIL SERVICE (XVII)		
1. Civil Service Commission	$ 28,646	
2. Civil Service Benefit Plans	2,948	
	$ 31,594	$ 34,456
COMMUNITY SERVICES (IX)		
1. Administration and Finance	$ 5,935	
2. Registration and Licensing Services	84	
3. Community Social Services	105,980	
4. Child and Family Services	1,471,693	
5. Corrections	50,770	
	$ 1,634,462	$ 4,588,022
Carried Forward	$ 2,775,947	$ 5,299,134

	1986-87	5 MONTHS 1987-88
Brought Forward	$ 2,775,947	$ 5,299,134
CONSUMER AND CORPORATE AFFAIRS (V)		
1. Administration and Finance	$ 2,073	
2. Consumer Affairs	287	
3. Corporate Affairs	66,595	
	$ 68,955	$ 187,604
CO-OPERATIVE DEVELOPMENT (VI)		
1. Administration and Finance	$ 1,011	
2. Co-operative and Credit Union Development and Regulation	1,434	
3. Interest Forgiveness	3,615	
	$ 6,060	$ 1,646
CROWN INVESTMENTS (XXII)		
1. Crown Investments Administration	$ 4,788	
	$ 4,788	$ 376
CULTURE, HERITAGE AND RECREATION (XIV)		
1. Administration and Finance	$ 900	
2. Culture, Heritage and Recreation Programs	12,472	
3. Communication Services	318,091	
4. Status of Women	4,580	
5. Telecommunications Policy	140	
6. Jobs Fund	158	
	$ 336,343	$ 86,930
EDUCATION (XVI)		
1. Administration and Finance	$ 23,942	
2. Statutory Boards and Commissions	40,220	
3. Financial Support - Public Schools	250,107	
4. Program Development Support Services	306,001	
5. Post-Secondary, Adult and Continuing Education	388,868	
7. Bureau De L'Education Francaise	40,793	
8. Expenditures Related to Capital	40,383	
	$ 1,090,314	$ 392,106
EMPLOYMENT SERVICES AND ECONOMIC SECURITY (XXXIV)		
1. Administration and Finance	$ 14,784	
2. Economic Security	5,948,481	
3. Employment Services	48,165	
4. Manitoba Bureau of Statistics	2,179	
5. Jobs Fund	2,460,428	
6. Jobs Fund - Community Assets	319,884	
	$ 8,793,921	$ 2,750,383
ENERGY AND MINES (XXIII)		
1. Administration and Finance	$ 5,546	
2. Energy	337,912	
3. Mineral Resources	74,698	
4. Expenditures Related to Capital	1,675	
	$ 419,831	$ 92,631
ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH (XXXI)		
1. Administration and Finance	$ 2,227	
2. Environmental Management	14,783	
3. Clean Environment Commission	14	
4. Manitoba Environmental Council	204	
5. Workplace and Worker Services	4,100	
	$ 21,328	$ 10,749
Carried Forward	$ 13,517,487	$ 8,821,559

	1986-87	5 MONTHS 1987-88
Brought Forward	$ 13,517,487	$ 8,821,559
FINANCE (VII)		
1. Administration and Finance	$ 379	
2. Treasury Division	27	
3. Comptroller's Division	110	
4. Taxation Division	268	
5. Federal–Provincial Relations and Research Division	548	
	$ 1,332	$ 41,678
GOVERNMENT SERVICES (VIII)		
1. Administration	$ 1,796	
2. Property Management	330,361	
3. Supply and Services	64,156	
4. Project Services	9,263	
5. Land Value Appraisal Commission	6	
6. Emergency Measures Organization	57	
7. Expenditures Related to Capital	62,343	
	$ 467,982	$ 531,778
HEALTH (XXI)		
1. Administration and Finance	$ 6,411	
2. Community Health Services (Programs)	336,385	
3. Community Health Services (Operations)	186,528	
4. Mental Health Services	183,490	
5. Sport	1,346	
	$ 714,160	$ 227,551
HIGHWAYS AND TRANSPORTATION (XV)		
1. Administration and Finance	$ 1,549	
2. Operations and Maintenance	52,786	
3. Planning and Design and Land Surveys	2,004	
4. Engineering and Technical Services	884,702	
5. Transportation Policy and Research	18,218	
6. Driver and Vehicle Licensing	35,493	
7. Boards and Committees	182	
8. Expenditures Related to Capital	328,814	
	$ 1,323,748	$ 346,793
HOUSING (XXX)		
1. General Administration	$ 4,706	
2. Property Management and Landlord and Tenant Affairs	1,046	
3. Program Delivery	4,452	
5. Expenditures Related to Capital	7,106	
	$ 17,310	$ 122,813
INDUSTRY, TRADE AND TECHNOLOGY (X)		
1. Administration and Finance	$ 26,442	
2. Industry and Trade Division	16,198	
3. Technology Division	1,018	
5. Jobs Fund	68,245	
	$ 111,903	$ 203,505
LABOUR (XI)		
1. Administration and Finance	$ 2,103	
2. Labour	18,780	
	$ 20,883	$ 16,608
Carried Forward	$ 16,174,805	$ 10,312,285

	1986-87	5 MONTHS 1987-88
Brought Forward	$ 16,174,805	$ 10,312,285
MUNICIPAL AFFAIRS (XIII)		
1. Administration and Finance	$ 1,721	
2. Municipal Board	303	
3. Municipal Advisory and Financial Services	224	
4. Municipal Assessments	6,976	
5. Systems Services	1,950	
6. Municipal Planning Services	2,143	
7. Provincial Planning	142	
8. Surface Rights Board	151	
	$ 13,610	$ 7,745
NATURAL RESOURCES (XII)		
1. Administration and Finance	$ 8,515	
2. Regional Services	56,018	
3. Engineering and Construction	11,645	
4. Water Resources	12,291	
5. Parks	52,625	
6. Lands	5,235	
7. Forestry	22,992	
8. Fisheries	16,606	
9. Wildlife	15,469	
10. Surveys and Mapping	2,783	
11. Resource Support Programs	769	
12. Expenditures Related to Capital	39,683	
	$ 244,631	$ 260,263
NORTHERN AFFAIRS (XIX)		
1. Administration and Finance	$ 2,128	
2. Local Government Development	31,453	
3. Agreements Management and Co-ordination	88,610	
4. Corporate Projects	53	
6. Expenditures Related to Capital	817	
	$ 123,061	$ 323,447
URBAN AFFAIRS (XX)		
1. Administration and Finance	$ 1,556	
3. Urban Policy Co-ordination	1,219	
4. Expenditures Related to Capital	32,938	
	$ 35,713	$ 7,692
FLOOD CONTROL AND EMERGENCY EXPENDITURES (XVIII)		
1. Flood Control and Emergency Expenditures	$ 6,058	
	$ 6,058	$ 80,506
	$ 16,597,878	$ 10,991,938

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF ALL REMISSIONS IN WHOLE OR IN PART IN ANY TAX, FEE, FINE, PENALTY OR FORFEITURE MADE UNDER AUTHORITY OF SEC. 25,CAP.F55, R.S.M. 1970

for the Year Ended March 31, 1987

FINANCIAL ADMINISTRATION ACT

B'nai B'rith Camp	$ 905
Luke, Bruce D.	90
Northern Transporation Company Limited	14,278
Royal Canadian Legion, Transcona Branch	2,499
Solsun, Mike	660
The Northern Village of Denare Beach	1,693
Tkatchuk, Erwin R.	110
Viper Drilling (1984) Ltd.	570
Wiebe, Darryl B.	99
Wiebe, Raymond R.	159
Zelinsky, Mike and Cassie	120
	$ 21,183

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF THE TOTAL AMOUNT OF ALL CLAIMS, OBLIGATIONS, DEBTS OR MONIES DUE HER MAJESTY CANCELLED, DISCHARGED OR RELEASED IN WHOLE OR IN PART UNDER AUTHORITY OF SEC. 26, CAP. F55, R.S.M. 1970

for the Year Ended March 31, 1987

ATTORNEY-GENERAL:		
Unsatisfied Judgement Fund	$ 5,767	
Other	20	$ 5,787
BUSINESS DEVELOPMENT AND TOURISM:		
Uncollectible Accounts –		
Manitoba Interest Rate Relief Program		41,068
CULTURE, HERITAGE AND RECREATION:		
Other		2
EDUCATION:		
Accountable Advance	$ 40	
Bursaries and Loans	58,972	
Tuition Fees	4,658	
Other	4,048	67,718
EMPLOYMENT SERVICES AND ECONOMIC SECURITY:		
Accountable Advance	$ 380	
Social Allowance Overpayment	100,580	100,960
ENERGY AND MINES:		
Other		78
FINANCE:		
Leaf Rapids Town Properties Ltd.	$ 595,199	
Manitoba Development Corporation	37,163,213	
Manitoba Energy Authority	1,411,905	
Manitoba Housing and Renewal Corporation	12,725,925	
Manfor Ltd.	128,503,000	
Retail Sales Tax	3,009,780	
Salary Overpayment	88	
Tantalum Mining Corporation of Canada Ltd.	2,544,825	
Venture Manitoba Tours Limited	1,716,783	
Winnipeg Bible College	150,000	187,820,718
GOVERNMENT SERVICES:		
Other		751
Health:		
Other		6,841
HIGHWAYS AND TRANSPORTATION:		
Other		221
HOUSING:		
Other		55
INDUSTRY, TRADE AND TECHNOLOGY:		
Uncollectible Accounts —		
Manitoba Research Council		204,582
LABOUR:		
The Payment of Wages Act		11,803
LEGISLATION:		
Accountable Advance		422
Carried Forward		$188,261,006

Brought Forward		$188,261,006
NATURAL RESOURCES		
Fees	$ 26,441	
Uncollectible Accounts	22,759	49,200
		$188,310,206
RECOVERY OF AMOUNTS CANCELLED IN PREVIOUS YEARS:		
EDUCATION:		
Tuition Fees	$ 1,140	
Other	108	1,248
		$ 188,308,958

GOVERNMENT OF THE PROVINCE OF MANITOBA

STATEMENT OF THE TOTAL AMOUNT OF ALL CLAIMS SETTLED UNDER AUTHORITY OF SEC. 44(2), CAP. F55, R.S.M. 1984

for the Year Ended March 31, 1987

FINANCE:	
Canadian Home Assurance Company	$ 2,000

SECTION 5

TRUST FUND STATEMENTS

SECTION 5

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GOVERNMENT OF THE PROVINCE OF MANITOBA

TRUST FUND ACCOUNTING POLICIES

The Trust Fund is divided into two primary divisions, Administered Trust and Custodial Trusts. Those trusts where the Government has the responsibility for the administration and for investment of the trust are considered Administered Trusts. Those trusts where the Government responsibility is custodial in nature and there is little or no administration responsibility are considered Custodial Trusts. Generally, the responsiblity for investment of Custodial Trust is that of the depositor. A statement of Assets and Liabilities for the Trust Fund is included in the Public Accounts showing the assets and liabilities for Administered Trusts. Details of Custodial accounts are set out in a note to the statement of Assets and Liabilities.

Administered Trusts are divided into five categories:

1. Sinking Funds – This category includes sinking fund contributions deposited with the Minister of Finance by Crown Corporations, Agencies, Boards and Commissions in respect of their direct debt.

2. Funds on Deposit For Investment – Funds surplus to the immediate cash requirement of Crown Corporations, Agencies, Boards and Commissions are deposited for investment with the Minister of Finance. Although certain of these deposits are covered by specific investments in the Trust Fund, the majority of these funds are invested with the Minister of Finance and interest is paid at market rate in accordance with the term of the investment.

3. Banking Facility Accounts — These accounts are operated for those Crown Corporations, Agencies, Boards and Commissions who bank with the Minister of Finance.

4. Operating Trusts — Certain trusts are established where legislation or agreements require receipts and related expenditure to be kept separate from Government revenue and expenditure. These "designated trusts" may, in some cases, be used for programs similar to those operated from appropriated funds but are kept separate because a trust requirement has been established. A separate Statement of Receipts, Payments and Transfers is prepared for each of these operating trusts and is published in the Trust Fund section of the Public Accounts.

5. Miscellaneous Trusts — This category contains trust accounts resulting from the sundry deposit of cash and/or securities with the Government.

GOVERNMENT OF THE PROVINCE OF MANITOBA

TRUST FUND ASSETS AND LIABILITIES

As at March 31, 1987
(with Comparative Figures for March 31, 1986)

	March 31, 1987	March 31, 1986
ASSETS		
Amount Due from Operating Fund	$ 569,504,889	$ 487,889,264
Cash and Investments	586,337,571	569,530,791
Total Trust Assets	$ 1,155,842,460	$ 1,057,420,055
LIABILITIES		
Trust Fund Balances	$ 1,155,842,460	$ 1,057,420,055
Total Trust Liabilities	$ 1,155,842,460	$ 1,057,420,055
CUSTODIAL TRUST FUNDS		
Cash, Bonds and Other Securities held by the Department of Finance and Other Government Departments – as listed on page 5 — 24	$ 539,809,928	$ 529,711,242

GOVERNMENT OF THE PROVINCE OF MANITOBA

CASH AND INVESTMENTS

As at March 31, 1987
(with Comparative Figures for March 31, 1986)

	March 31, 1987	March 31, 1986
SINKING FUNDS:		
Investments held for Sinking Funds on Bonds issued by Crown Corporations, Agencies, Boards, and Commissions: (Investments shown at cost)		
Manitoba Hydro–Electric Board	$ 222,541,134	$ 211,927,589
Manitoba Telephone System	37,052,295	37,837,858
Manitoba Water Services Board	28,861	204,177
Manitoba Housing and Renewal Corporation	7,214,288	5,750,412
University of Manitoba	7,126,752	7,359,966
	$ 273,963,330	$ 263,080,002
FUNDS ON DEPOSIT FOR INVESTMENT: (Investments shown at cost)		
Manitoba Hydro–Electric Board Contingency Reserve:		
Manitoba Hydro–Electric Board Bonds	$ 1,917,098	$ 1,961,535
Manitoba Public Insurance Corporation:		
Province of Manitoba Debentures	$ 96,339,945	$ 96,407,569
Manitoba Hydro–Electric Board Bonds	21,586,018	21,586,018
Manitoba Telephone System Bonds	20,837,103	21,378,548
Hospital Debentures	46,697,764	50,612,683
Cities, Villages, Towns and Rural Municipalities	31,466,693	29,605,303
School Districts	39,628,757	23,724,021
Ontario Hydro Bonds	24,757,900	24,757,900
Government of Canada Bonds	14,825,000	14,825,000
	$ 296,139,180	$ 282,897,042
Public Service Group Insurance Fund:		
Government of Canada Bonds	$ 8,419,031	$ 8,419,032
Government of Canada Treasury Bills	–	9,045,100
Ontario Hydro Bonds	476,250	476,250
	$ 8,895,281	$ 17,940,382
Local Government District Trust Account:		
Canadian National Railway Bonds	$ 507,900	$ 507,900
Northern Flood Agreement:		
Quebec Hydro Bonds	$ 550,000	$ –
Winnipeg School Division Debentures	735,000	–
	$ 1,285,000	$ –
	$ 308,744,459	$ 303,306,859
MISCELLANEOUS TRUSTS: (Investments shown at cost)		
Suitors' Money Act		
Cash in Canadian Imperial Bank of Commerce, Wpg.	$ 3,629,782	$ 3,143,930
	$ 586,337,571	$ 569,530,791

GOVERNMENT OF THE PROVINCE OF MANITOBA

TRUST FUND BALANCES

As at March 31, 1987
(With Comparative Figures for March 31, 1986 and Displaying Receipts, Payments and Transfers for the Year Ended March 31, 1987)

	Balance March 31, 1986	Receipts/ Transfers	Payments/ Transfers	Balance March 31, 1987
SINKING FUNDS:				
Sinking Funds Contributions by Utilities and Others for own Direct Debt:				
Manitoba Hydro–Electric Board	$ 211,927,589	$ 193,940,920	$ 183,327,375	$ 222,541,134
Manitoba Telephone System	37,837,858	28,591,556	29,377,119	37,052,295
Manitoba Water Services Board	1,477,164	410,447	1,171,235	716,376
Manitoba Housing and Renewal Corporation	5,750,412	9,641,176	8,177,300	7,214,288
University of Manitoba	11,077,833	1,209,282	9,348	12,277,767
	$ 268,070,856	$ 233,793,381	$ 222,062,377	$ 279,801,860
FUNDS ON DEPOSIT FOR INVESTMENT:				
Churchill Forest Industries in Receivership	$ 228,636	$ –	$ –	$ 228,636
Civil Service Superannuation Fund	59,410	50,782,178	47,163,745	3,677,843
Co–operative Promotion Board	52,000	–	–	52,000
Department of Education – Post Adult Career Education	310,960	653,779	907,075	57,664
Department of Health – Schizophrenic Research	21,465	2,012	–	23,477
Department of Labour Employment Standards	88,758	8,374	41,994	55,138
Employee Charitable Donations	668,585	642,537	550,603	760,519
Leaf Rapids Town Properties Ltd.	395,423	397,631	237,322	555,732
Manitoba Beef Commission	3,500,000	15,300,000	16,300,000	2,500,000
Manitoba Centennial Corporation	308,773	1,563,569	1,380,967	491,375
Manitoba Centennial Foundation of the Future	13,471	1,345	–	14,816
Manitoba Data Services	4,300,000	4,300,000	1,600,000	7,000,000
Manitoba Development Corporation	9,091,854	7,781,641	16,873,495	–
Manitoba Development Corporation – Tourism Agreement	1,066,986	18,985	7,822	1,078,149
Manitoba Health Services Debenture	980,588	3,389,075	3,445,036	924,627
Manitoba Health Services – Other	2,190,783	1,546,202	1,260,000	2,476,985
Manitoba Housing and Renewal Corporation	8,419,077	47,547,554	40,447,673	15,518,958
Manitoba Housing and Renewal Corporation –Insurance Fees	159,984	14,736	331	174,389
Manitoba Hydro–Electric Board	47,000,000	365,264,111	393,264,111	19,000,000
Manitoba Hydro–Electric Board Contingency Reserve	1,961,535	158,297	202,734	1,917,098
Manitoba Law Foundation	–	3,851,564	1,733,444	2,118,120
Manitoba Lottery and Other Proceeds –				
Manitoba Lotteries Foundation	12,500,000	5,000,000	–	17,500,000
Culture, Heritage and Recreation Fund	13,300,000	10,778,030	5,628,030	18,450,000
Fitness and Amateur Sport Fund	4,512,311	2,560,217	–	7,072,528
Intercultural	–	1,330,653	225,131	1,105,522
Manitoba Milk Producers' Marketing Board	2,838,500	98,300,000	97,550,000	3,588,500
Manitoba Mineral Resources Ltd.	1,790,000	3,635,000	3,320,000	2,105,000
Manitoba Public Insurance Corporation	405,621,709	194,180,319	170,441,971	429,360,057
Manitoba Research Council	825,206	575,955	–	1,401,161
Manitoba School for Retardates	120,000	1,873	6,873	115,000
Manitoba Telephone System	72,732,214	290,854,120	268,165,084	95,421,250
Minister of Northern Affairs re: Remote Communities	415,000	2,752,000	2,942,000	225,000
Municipal Employees' Benefit Fund	2,175,000	8,307,173	6,525,000	3,957,173
Northern Flood Agreement	–	1,762,302	187,727	1,574,575
Public Service Group Insurance Fund	20,726,193	2,987,027	698,080	23,015,140
Carried Forward	$ 618,374,421	$ 1,126,248,259	$ 1,081,106,248	$ 663,516,432

	Balance March 31, 1986	Receipts/ Transfers	Payments/ Transfers	Balance March 31, 1987
Brought Forward	$ 618,374,421	$ 1,126,248,259	$ 1,081,106,248	$ 663,516,432
Public Trustee	7,600,000	22,750,000	25,250,000	5,100,000
Rentalsman	174,051	36,474	41,142	169,383
Red River Community College – Student Building	–	225,275	184,200	41,075
Teachers Retirement Allowance Fund	49,850,000	129,700,000	117,100,000	62,450,000
Varsity Athletics	6,035	–	6,035	–
Welfare Administered Trust	115,000	15,000	–	130,000
Workers' Cancer Study	33,849	–	–	33,849
Workers' Compensation Board	18,664,147	123,908,262	110,558,311	32,014,098
Workplace Innovation Centre	–	150,000	—	150,000
Local Government Districts:				
Alexander	24,707	1,312	1,312	24,707
Alonsa	119,649	6,207	6,207	119,649
Armstrong	73,929	3,835	3,835	73,929
Churchill	14,591	757	757	14,591
Consol	14,254	757	757	14,254
Fisher	44,747	2,321	2,321	44,747
Grahamdale	54,164	2,877	2,877	54,164
Mountain	39,911	2,119	2,119	39,911
Piney	53,914	2,776	2,776	53,914
Reynolds	53,914	2,776	2,776	53,914
Stuartburn	14,254	757	757	14,254
	$ 695,325,537	$1,403,059,764	$1,334,272,430	$ 764,112,871
BANKING FACILITY ACCOUNTS:				
Manitoba Agricultural Credit Corporation	$ 2,278,117	$ 100,789,919	$ 97,581,961	$ 5,486,075
Manitoba Beef Commission	1,912,687	10,375,693	7,387,498	4,900,882
Manitoba Crop Insurance Corporation				
General	691,673	64,125,313	62,396,471	2,420,515
Hail Insurance	594,280	6,835,538	6,960,000	469,818
Reinsurance Account	1,854,124	16,025,530	11,688,143	6,191,511
Manitoba Energy Authority	8,646	994,201	1,000,809	2,038
Manitoba Hazardous Waste Management	–	60,355	94	60,261
Manitoba Law Foundation	–	994,707	994,600	107
Manitoba Potash Corporation	–	651,651	560,414	91,237
Manitoba Properties Inc.	–	11,382,130	10,793,501	588,629
Manitoba Research Council	361,668	6,371,984	6,624,863	108,789
Manitoba Text Book Bureau	2,719,516	7,417,000	7,126,322	3,010,194
Manitoba Trading Corporation	505,365	–	–	505,365
Manitoba Water Services Board	616,411	52,362,079	51,908,673	1,069,817
Minister of Municipal Affairs	968,746	4,623,350	4,441,049	1,151,047
	$ 12,511,233	$ 283,009,450	$ 269,464,398	$ 26,056,285
OPERATING TRUSTS:				
Law Society and Solicitors' Trust Funds	$ 1,446,680	$ 1,138,388	$ 2,585,068	–
Manitoba Lotteries Foundation — Culture, Heritage and Recreation Program	99,199	16,793,292	15,989,175	903,316
Community Places Program	–	3,156,068	2,847,002	309,066
Amateur Sport	745,572	4,815,150	4,038,768	1,521,954
Fitness Development	87,304	322,177	290,398	119,083
Planning and Research	131,650	157,950	210,000	79,600
The Mining Community Reserve	3,839,631	329,853	189,315	3,980,169
Veterinary Science Scholarship Fund	26,570	12,250	12,900	25,920
	$ 6,376,606	$ 26,725,128	$ 26,162,626	$ 6,939,108
MISCELLANEOUS TRUSTS:				
School Divisions Reserve Fund	$ 1,301,418	$ 103,699	$ 144,683	$ 1,260,434
Amounts Collected on Behalf of Municipalities and Local Governments re: Permits and Leases	129,508	2,356,574	2,427,620	58,462
Builders' Liens Act	3,794,845	8,548,689	8,100,141	4,243,393
Communities Economic Development Fund	200,000	725,000	575,000	350,000
Carried Forward	$ 5,425,771	$ 11,733,962	$ 11,247,444	$ 5,912,289

	Balance March 31, 1986	Receipts/ Transfers	Payments/ Transfers	Balance March 31, 1987
Brought Forward	$ 5,425,771	$ 11,733,962	$ 11,247,444	$ 5,912,289
Consumer Protection Act	127,233	22,195	82,873	66,555
Contractual Holdbacks	269,977	365,457	497,424	138,010
Employee Charitable Donations	–	550,603	536,678	13,925
Fires Prevention Fund	1,726,371	3,091,804	1,897,510	2,920,665
Government of Canada Land Sale	78,041	–	–	78,041
Guarantee Deposits	1,352,434	847,103	616,131	1,583,406
Highway Traffic Act	8,250	1,100	2,000	7,350
International Programs	–	13,000	4,775	8,225
Land Titles Assurance Fund	102,035	52,231	28,562	125,704
Manitoba Health Services Commission	40,852,000	49,200,000	40,985,295	49,066,705
Manitoba Hog Producers' Marketing Board	7,247,273	14,521,249	15,718,522	6,050,000
Manitoba Hydro Provincial Sales Tax Rebate – Indian Bands	29,845	–	–	29,845
Manitoba Jobs Fund	8,432,730	2,044,720	4,115,399	6,362,051
Manitoba Oil and Gas Corporation	4,900,000	–	3,300,000	1,600,000
Manitoba Public Insurance Corporation	681,974	265,973,407	266,205,442	449,939
Mortgage Insurance Fund	82,518	158,699	788	240,429
Red River Community College Student Union Building	120,000	184,248	304,118	130
Suitors Money Act	3,143,930	5,117,019	4,631,167	3,629,782
Textbook Fees	–	11,671	10,004	1,667
Victims Assistance Fund	–	64,463	11,699	52,764
Other	555,441	2,292,719	2,253,306	594,854
	$ 75,135,823	$ 356,245,650	$ 352,449,137	$ 78,932,336
	$1,057,420,055	$2,302,833,373	$2,204,410,968	$1,155,842,460

GOVERNMENT OF THE PROVINCE OF MANITOBA

LAW SOCIETY AND SOLICITORS' TRUST FUNDS
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987

Balance March 31, 1986	$1,446,680
RECEIPTS:	
Remittances from Solicitors	1,138,388
	$2,585,068
PAYMENTS:	
Transfer to Manitoba Law Foundation (Note 1)	2,585,068
Balance in Trust March 31, 1987	NIL

Note 1: On October 23, 1986 Royal Assent was given for Bill 25, which amended the Law Society Act to create the Manitoba Law Foundation. Administration of interest on solicitors' trust funds has been the responsibility of the Foundation since that time.

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – CULTURE, HERITAGE AND RECREATION PROGRAM
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1986			$ 99,199
RECEIPTS:			
Manitoba Lotteries Foundation		$ 14,013,651	
Interest (Note 1)		1,279,641	
Withdrawals from Investment Account		1,500,000	16,793,292
			$ 16,892,491
PAYMENTS:			
Extra-Departmental Agencies:			
Grant Assistance:			
Artspace	$ 35,000		
Centre Culturel Franco-Manitobain	362,270		
Manitoba Centennial Centre Corporation	1,276,900		
Manitoba Centennial Centre Corporation – (Capital)	200,000		
Manitoba Children's Museum	60,000		
Manitoba Museum of Man and Nature – (Capital)	120,100		
Western Manitoba Centennial Auditorium	59,800		
Winnipeg Art Gallery (Capital)	60,000	$ 2,174,070	
Grants Administration:			
Salaries and Other Expenditures:			
Hospitality	$ 1,501		
Program Administration	38,926		
Winnipeg Area Special Projects	8,729		
Special Projects	5,425	54,581	
Grant Assistance:			
Arts Accommodation Projects	$ 83,800		
Co-ordination Assistance Program	11,357		
Bus Concert Series	3,943		
Remote Communities Equipment Program	60,945		
Culture, Heritage and Recreation– Capital Facility Grants	435,734		
Cultural Agreements	18,349		
Skills Transfer Program	44,985		
Public Events Sponsorship Program	145,051		
Winnipeg Area Special Projects	58,840		
Hospitality Grants	82,288		
Special Projects	142,404		
Deficit Reduction	82,970		
Local Histories Grants	1,138	1,171,804	
Cultural Resources:			
Salaries and Other Expenditures:			
Culture, Heritage and Recreation – Awards Program	$ 100,509		
Arts Education Service	85,217		
Jackson Beardy Estate (Art Acquisition)	40,995		
Summer Festival Events	31,315		
Tour Hosting Network	2,966		
Touring Workshop Projects	7,052		
Concerts in the North	36,032		
Expo '86	2,500		
Franco-Forum I Conference	19,488	326,074	
Carried Forward		$ 3,726,529	$ 16,892,491

Brought Forward		$ 3,726,529	$ 16,892,491
Grant Assistance:			
Summer Festival Events	$ 23,688		
Tour Hosting Network	3,000		
Touring Workshop Project	471		
Expo '86	188,098		
Festivals	230,000		
Ethnocultural Grants	588,297		
Ethnocultural Capital Grants	171,666		
Linguistic Support Grants	108,180		
Community Arts Operating Grants	226,600		
Special Projects and Events	176,126		
Annual Project Grants	35,100		
"Search For" Grant	22,840		
Arts Schools	94,340		
Cultural Council Grants	171,794	2,040,200	
Recreation Branch:			
Salaries and Other Expenditures:			
Program Administration	$ 25,902		
Facility Development	3,153		
Recreation for Special Populations	3,172		
Birds Hill Day Camp	34,269		
Resource Development	77,864		
Volunteer Management	45,561	189,921	
Grant Assistance:			
Provincial Recreation Agency Grants		76,810	
Public Library Services:			
Salaries and Other Expenditures:			
Library Assistance Program	$ 2,276		
Rural Video Program	47,374	49,650	
Grant Assistance:			
Library Capital Grants	$ 129,817		
Winnipeg Public Library Book Grant	500,000	629,817	
Historic Resources:			
Salaries and Other Expenditures:			
Historic Sites Advisory Board	$ 14,906		
Manitoba Archaeological Inventory	29,399		
Excavations	94,539		
Publications	53,678		
Provincial Commemorative Program	61,150		
Impact Assessment and Mitigation	7,000		
Stott Site Interpretation	14,219		
Field Services	29,895		
Heritage Buildings	15,000		
Building Stabilization	3,702		
Thematic Overview	9,000		
Special Research	10,129		
Heritage Awareness Initiative	36,432	379,049	
Grant Assistance:			
Heritage Building Grants	$ 496,542		
Community Heritage Operating Grants	100,100		
Special Project Grants	556,250		
Museums and Heritage Organizations	304,390	1,457,282	
Regional Services:			
Salaries and Other Expenditures:			
Summer Activities	$ 51,007		
Northern Water Safety	76,438		
Special Projects	13,343	140,788	
Carried Forward		$ 8,690,046	$ 16,892,491

Brought Forward		$ 8,690,046	$ 16,892,491
Grant Assistance:			
Winnipeg Boys and Girls Clubs	$ 20,000		
Northern Manitoba Recreation Association	10,000		
Community School Incentive Grants	5,000	35,000	
Provincial Archives:			
Salaries and Other Expenditures:			
Oral History Project		172	
Grant Assistance:			
Oral History Project Grants	$ 31,442		
Community Archives Facility Grants	9,000	40,442	
Research and Planning:			
Salaries and Other Expenditures:			
Program Administration	$ 35,561		
Research Support	46,304	81,865	
Communication and Information Services:			
Salaries and Other Expenditures:			
Heritage Awareness Program		72,601	
Cultural Industries Development:			
Salaries and Other Expenditures:			
Program Administration		19,086	
Grant Assistance:			
Cultural Industries Support Grants		49,963	8,989,175
			$7,903,316
Funds transferred to:			
Community Places Program		$ 3,100,000	
Investment Account (Note 2)		3,900,000	7,000,000
Balance in Trust, March 31, 1987			$ 903,316

NOTE 1: Interest received during the year represents interest earned from funds on deposit for investment with the Department of Finance.

NOTE 2: The amount held in Funds on Deposit for Investment on behalf of the Culture, Heritage and Recreation Fund at March 31, 1987 is as follows:

Culture, Heritage and Recreation Program	$15,700,000
Community Places Program	2,750,000
	$18,450,000

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – COMMUNITY PLACES PROGRAM
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987

(In Compliance with Section 22, Manitoba Lotteries Foundation Act)

Balance March 31, 1986		$ NIL
RECEIPTS:		
Transferred from Culture, Heritage and Recreation Programs	$3,100,000	
Interest (Note 1)	56,068	3,156,068
		$3,156,068
PAYMENTS:		
Salaries and Other Expenditures		97,002
		$3,059,066
Funds transferred to Investment Account (Note 2)		2,750,000
Balance in Trust, March 31, 1987		$ 309,066

NOTE 1: Interest received during the year represents interest earned from funds on deposit for investment with the Department of Finance.

NOTE 2: The amount held in Funds on Deposit for Investment on behalf of the Culture, Heritage and Recreation Fund at March 31, 1987 is as follows:

Culture Heritage and Recreation Program	$15,700,000
Community Places Program	2,750,000
	$18,450,000

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION - AMATEUR SPORT
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1986			$ 745,572
RECEIPTS:			
Manitoba Lotteries Foundation		$ 4,784,511	
Interest (Note 1)		30,639	4,815,150
			$5,560,722
PAYMENTS:			
Amateur Sport Grants:			
City of Winnipeg Sport Development	$ 20,000		
Coaches and Officials - National Certification Program	49,560		
Coaches and Officials - Non-Certification Development Program	89,745		
Hospitality	35,000		
Hosting Special Events	7,500		
Inter-Provincial Games	300,000		
Manitoba Athletic Therapy Association	25,000		
Manitoba High School Athletic Association	30,000		
Man-Plan Athletic Development	199,835		
Man-Plan National Development	50,000		
Manitoba Society of Seniors	10,000		
National/Regional Training Camps/Centres	65,000		
Official/Coach Evaluation	8,000		
Provincial Championships	100,000		
Provincial Team Development	170,000		
Regional/Provincial Competitions	100,000		
Regional Sport Training Camps	80,000		
Rural Sport Development	280,000		
Special Agencies	50,000		
Sport Development Grants	149,945		
Sport Medicine Council	10,991		
Sport Special Projects	150,000		
University Athletic Scholarships	100,000	$2,080,576	
Amateur Sport Programs:			
Manitoba Games Administration	$ 63,618		
Regional Sport Development - Administration	21,617		
National Coaches Certification Program	60,549		
Sports Awards	12,408	158,192	2,238,768
			$3,321,954
Funds transferred to Investment Account (Note 2)			1,800,000
Balance in Trust March 31, 1987			$1,521,954

NOTE 1: Interest received during the year represents interest earned from funds on deposit for investment with the Department of Finance.

NOTE 2: The amount held in Funds on Deposit for Investment on behalf of the Fitness and Amateur Sport Fund at March 31, 1987 was as follows:

Amateur Sport	$6,257,224
Fitness Development	547,338
Planning and Research	267,966
	$7,072,528

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – FITNESS DEVELOPMENT
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1986		$ 87,304
RECEIPTS:		
Manitoba Lotteries Foundation	$318,968	
Interest (Note 1)	3,209	322,177
		$ 409,481
PAYMENTS:		
Canadian Diabetes Association	$10,000	
Corporate Challenge	10,354	
Fitness Awareness and Education	4,910	
Fitness Development	19,013	
Fitness Leadership Development	44,531	
Fitness for Seniors	1,590	90,398
		$ 319,083
Funds transferred to Investment Account (Note 2)		200,000
Balance in Trust March 31, 1987		$ 119,083

NOTE 1: Interest received during the year represents interest earned from funds on deposit for investment with the Department of Finance.

NOTE 2: The amount held in Funds on Deposit for Investment on behalf of the Fitness and Amateur Sport Fund at March 31, 1987 was as follows:

Amateur Sport	$6,257,224
Fitness Development	547,338
Planning and Research	267,966
	$7,072,528

GOVERNMENT OF THE PROVINCE OF MANITOBA

MANITOBA LOTTERIES FOUNDATION – PLANNING AND RESEARCH
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987
(In Compliance with Section 22 Manitoba Lotteries Foundation Act)

Balance March 31, 1986		$131,650
RECEIPTS:		
Manitoba Lotteries Foundation	$154,288	
Interest (Note 1)	3,662	157,950
		$289,600
PAYMENTS:		
Discretionary Grants	$70,000	
Professional Services	29,500	
Other	10,500	110,000
		$179,600
Funds transferred to Investment Account (Note 2)		100,000
Balance in Trust March 31, 1987		$ 79,600

NOTE 1: Interest received during the year represents interest earned from funds on deposit for investment with the Department of Finance.

NOTE 2: The amount held in Funds on Deposit for Investment on behalf of the Fitness and Amateur Sport Fund at March 31, 1987 was as follows:

Amateur Sport	$6,257,224
Fitness Development	547,338
Planning and Research	267,966
	$7,072,528

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MINING COMMUNITY RESERVE
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987

Balance March 31, 1986			$3,839,631
RECEIPTS:			
Interest Received during the year		$328,078	
Refund of Prior Year's Expenditure		1,775	329,853
			$4,169,484
PAYMENTS:			
Community of Wabowden			
Manitoba Housing and Renewal Corporation	$35,384		
Manitoba Water Services Board	14,755	$ 50,139	
Local Government District of Lynn Lake		55,000	
Flin Flon Economic Development Co.		6,000	
Snow Lake Economic Development Co.		4,000	
Sherritt Gordon Mines Ltd.		74,176	189,315
Balance in Trust March 31, 1987			$3,980,169

GOVERNMENT OF THE PROVINCE OF MANITOBA

VETERINARY SCIENCE SCHOLARSHIP FUND
STATEMENT OF RECEIPTS AND PAYMENTS

For the Year Ended March 31, 1987

Balance March 31, 1986	$26,570
RECEIPTS:	
Repayment of Bursaries	12,250
	$38,820
PAYMENTS:	
Payment of Bursaries awarded under the Veterinary Science Scholarship Act	12,900
Balance in Trust March 31, 1987	$25,920

GOVERNMENT OF THE PROVINCE OF MANITOBA

Department of Municipal Affairs
Minister's Trust Account
REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A and B, of the Department of Municipal Affairs, Minister's Trust Account for the fiscal year ended March 31, 1987. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Minister's Trust Account as at March 31, 1987 and its receipts and disbursements for the year then ended in accordance with the accounting policy stated in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

J. W. Singleton, CA,
Assistant Provincial Auditor.

May 26, 1987,
Winnipeg, Manitoba.

Exhibit A

GOVERNMENT OF THE PROVINCE OF MANITOBA

Department of Municipal Affairs
Minister's Trust Account

Balance Sheet as at March 31, 1987
(with 1986 figures for comparison)

	1987	1986
ASSETS		
Cash on deposit with the Minister of Finance	$1,151,047	$968,746
LIABILITIES AND SURPLUS		
Levy accounts:		
Administration — Local Government Districts	$ 29,155	$ 33,181
Municipal assessment	863,897	705,203
Municipal guarantee bond premiums	(5,404)	(1,154)
	$ 887,648	$737,230
Surplus	263,399	231,516
	$1,151,047	$968,746

Exhibit B

GOVERNMENT OF THE PROVINCE OF MANITOBA

Department of Municipal Affairs
Minister's Trust Account

Statement of Receipts and Disbursements
for the year ended March 31, 1987
(with 1986 figures for comparison)

	1987	1986
RECEIPTS		
Levies:		
Local Government Districts:		
Administration	$ 409,200	$ 375,300
Welfare purposes	197,170	188,734
	$ 606,370	$ 564,034
Municipal corporations, including Local Government Districts:		
Municipal assessment	$3,972,097	$3,780,451
Guarantee bond premiums	13,000	9,000
	$3,985,097	$3,789,451
Total levies	$4,591,467	$4,353,485
Interest income, net	31,883	36,051
Total receipts	$4,623,350	$4,389,536
Cash on deposit with the Minister of Finance, beginning of year	968,746	876,498
	$5,592,096	$5,266,034
DISBURSEMENTS		
Government of the Province of Manitoba:		
Administration — Local Government Districts	$ 413,226	$ 401,684
Welfare purposes — Local Government Districts	197,170	188,734
Municipal assessment	3,813,403	3,695,370
	$4,423,799	$4,285,788
Municipal guarantee bond premiums	17,250	11,500
Total disbursements	$4,441,049	$4,297,288
Cash on deposit with the Minister of Finance, end of year	1,151,047	968,746
	$5,592,096	$5,266,034

GOVERNMENT OF THE PROVINCE OF MANITOBA

Department of Municipal Affairs
Minister's Trust Account

Notes to the Financial Statements
for the year ended March 31, 1987

1. Authority and Operation:

   The Department of Municipal Affairs, Minister's Trust Account was established in accordance with provisions of The Municipal Affairs Administration Act. It provides a facility for the levying and collection of charges to recover expenditures for services performed by the Department on behalf of municipal corporations in the Province.

2. Accounting Policy:

   The Trust Account operates on the cash basis of accounting.

GOVERNMENT OF THE PROVINCE OF MANITOBA

SCHOOL DIVISIONS RESERVE FUND

As at March 31, 1987
(in compliance with Section 205(1), Public Schools Act)

School Divisions or Districts	Number	Amount	School Divisions or Districts	Number	Amount
Agassiz	13	$ 31,393	Intermountain	36	$ 29,142
Antler River	43	144,147			
			Lord Selkirk	11	155,688
Birdtail River	38	90,737	Midland	25	56,764
Boundary	16	198,949			
			Pelly Trail	37	41,618
Churchill	2264	31,487	Pine Creek	30	17,837
Duck Mountain	34	13,646	Rolling River	39	65,119
Evergreen	22	25,061	Sprague	2439	33,236
			Swan Valley	35	33,421
Fort La Bosse	41	1,418			
Frontier	48	168,296	Turtle Mountain	44	53,780
			Turtle River	32	43,836
Gypsumville Consolidated	2461	24,859			
					$1,260,434

GOVERNMENT OF THE PROVINCE OF MANITOBA

CUSTODIAL TRUST FUNDS HELD BY THE DEPARTMENT OF FINANCE AND OTHER GOVERNMENT DEPARTMENTS

As at March 31, 1987

	Cash On Hand	Cash In Bank	Bonds and Other Securities	Total
FINANCE:				
Attorney-General	$ –	$ –	$ 1,030	$ 1,030
Civil Service Superannuation Board	–	–	344,859,846	344,859,846
Consumer and Corporate Affairs	–	–	939,000	939,000
Co-operative Promotion Board	–	–	131,000	131,000
Energy and Mines	–	–	1,968,400	1,968,400
Finance	–	–	626,906	626,906
Health	–	–	23,411	23,411
Highways and Transportation	–	–	55,000	55,000
Manitoba Hospital Capital Financing Authority	–	–	4,249,500	4,249,500
Natural Resources	–	–	241,667	241,667
The Public Trustee	–	–	70,353,381	70,353,381
Workers Compensation Board	–	–	112,878,818	112,878,818
OTHER GOVERNMENT DEPARTMENTS:				
Agriculture	–	4,946	–	4,946
Attorney-General	–	1,261,330	986,698	2,248,028
Community Services	20,113	110,153	–	130,266
Education	5,864	94,933	70,000	170,797
Health	1,800	65,526	230,537	297,863
Housing	–	82,260	–	82,260
Labour	–	158,882	–	158,882
Natural Resources	50	–	–	50
Northern Affairs	50	388,827	–	388,877
	$ 27,877	$ 2,166,857	$ 537,615,194	$ 539,809,928

NOTE: In addition to the above Custodial Trust Funds, the Department of Finance also holds shares for various Departments, Agencies, Boards and Commissions.

OTHER FUNDS

SECTION 6

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OTHER FUNDS

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THE MANITOBA TEXT BOOK BUREAU
REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A and B, of The Manitoba Text Book Bureau for the fiscal year ended March 31, 1987. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of The Manitoba Text Book Bureau as at March 31, 1987 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

F. H. Jackson, CA,
Provincial Auditor.

July 29, 1987,
Winnipeg, Manitoba.

Exhibit A

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MANITOBA TEXT BOOK BUREAU

BALANCE SHEET
As at March 31, 1987
(with 1986 figures for comparison)

ASSETS	1987	1986
Current assets:		
Cash on hand	$ 6,125	$ 2,492
Cash on deposit with Minister of Finance	3,010,194	2,719,516
Accounts receivable	246,645	416,966
Inventory of merchandise at cost less provision for obsolescence	1,379,739	1,404,003
Prepaid expenses	37,737	26,156
	$4,680,440	$4,569,133
LIABILITIES AND FUNDS HELD FOR WORKING CAPITAL		
Current liabilities:		
Accounts payable	$ 27,970	$ 33,724
Customers' deposit accounts	4,952	4,908
Accrued liabilities	8,200	7,800
	$ 41,122	$ 46,432
Advance for working capital from the Government of the Province of Manitoba	$4,000,000	$4,000,000
Funds held for working capital:		
Balance, beginning of year	$ 522,701	$ 348,870
Net income for the year, Exhibit B	116,617	173,831
Balance, end of year	$ 639,318	$ 522,701
	$4,680,440	$4,569,133

Exhibit B

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MANITOBA TEXT BOOK BUREAU

Income Statement
for the year ended March 31, 1987
(with 1986 figures for comparison)

	1987	1986
Sales	$ 6,722,900	$ 6,460,242
Cost of goods sold:		
Inventory, beginning of year	$ 1,404,003	$ 1,022,889
Purchases	5,844,290	6,008,871
Transportation in	31,012	29,496
	$ 7,279,305	$ 7,061,256
Inventory, end of year	1,379,739	1,404,003
Cost of goods sold	$ 5,899,566	$ 5,657,253
Gross profit on sales	$ 823,334	$ 802,989
General and administrative expenses:		
Audit	$ 7,850	$ 7,900
Computer equipment and supplies	23,577	16,961
Video recording equipment	21,245	–
Health and post secondary education levy	7,525	6,913
Office	45,204	42,665
Postage	31,409	31,886
Salaries	513,090	474,329
Telephone	8,993	5,438
Transportation out	31,473	33,699
Travel	5,589	4,013
Warehouse	10,762	5,354
Total expenses	$ 706,717	$ 629,158
Net income for the year, Exhibit A	$ 116,617	$ 173,831

GOVERNMENT OF THE PROVINCE OF MANITOBA

THE MANITOBA TEXT BOOK BUREAU

Notes to the Financial Statements for the year ended March 31, 1987

1. Accounting Policies

a) The Bureau's financial statements are prepared on an accrual basis, except for capital acquisitions which are reflected as expenses in the year of acquisition.

b) Inventory is valued at the average cost of acquisition with a provision for obsolescence being made for books in declining demand.

c) Interest, property costs and employee benefits including pension costs are paid out of other appropriations of the Government of the Province of Manitoba and are not reflected in these financial statements.

2. Grant Payments

For accountability purposes, the Bureau processes Department of Education grant payments to certain school divisions covering instructional materials amounting to $1,124,548 (1986 – $1,030,613). These transactions are not included in the financial statements. The Bureau does not charge for this service.

3. Outstanding Commitments

Commitments on orders placed prior to March 31, 1987 for merchandise to be delivered subsequent to that date, were estimated at $2,415,000 ($2,426,000 as at March 31, 1986).

THE NORTHERN AFFAIRS FUND
REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the financial statements, being Exhibits A to E, of The Northern Affairs Fund for the fiscal year ended March 31, 1987. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1987 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements applied, after giving retroactive effect to the change in the method of accounting for expenditure in the Specific Purpose Funds Account explained in note 2 to the financial statements, on a basis consistent with that of the preceding year.

F. H. Jackson, C.A.,
Provincial Auditor.

August 14, 1987,
Winnipeg, Manitoba.

Exhibit A

THE NORTHERN AFFAIRS FUND
BALANCE SHEET
As at March 31, 1987
(with 1986 figures for comparison)

ASSETS	1987	1986
SPECIFIC PURPOSE FUNDS ACCOUNT		
Cash in bank and in term deposits	$ 330,541	$ 527,883
Account receivable — Government of the Province of Manitoba	451,370	572,944
	$ 781,911	$1,100,827
TAXATION ACCOUNT		
Cash in bank and in term deposits (Note 4)	$ 243,848	$ 236,672
Accounts receivable:		
Government of the Province of Manitoba	$ 43,267	$ 32,691
Grants in lieu of taxes:		
Government of the Province of Manitoba and agencies	12,605	3,928
Government of Canada and agencies	733	28,099
	$ 56,605	$ 64,718
Tax assets:		
Taxes on the rolls	$ 542,065	$ 507,173
Tax sale certificates	20,117	14,434
	$ 562,182	$ 521,607
	$ 862,635	$ 822,997
LIABILITIES		
SPECIFIC PURPOSE FUNDS ACCOUNT		
Accounts payable	$ 281,466	$ 364,171
Balance of Specific Purpose Funds, Exhibit B	500,445	736,656
	$ 781,911	$1,100,827
TAXATION ACCOUNT		
Due to the Government of the Province of Manitoba (Note 4)	$ 143,848	$ 136,672
Accounts payable	79	1,031
Funds held in trust	274	274
Allowance for tax assets, Exhibit D	488,254	399,192
Surplus, Exhibit E	230,180	285,828
	$ 862,635	$ 822,997

Exhibit B

THE NORTHERN AFFAIRS FUND

SPECIFIC PURPOSE FUNDS ACCOUNT

Statement of Transactions
for the year ended March 31, 1987

	Balance March 31, 1986	Current Transactions Revenue	Current Transactions Expenditure	Balance March 31, 1987
Department of Northern Affairs				
— Accountable Advances	$ –	$ 15,470	$ 15,470	$ –
— Departmental Revenues, Transfer Payments	–	563,933	563,933	–
— General	176,418	–	167,281	9,137
Community Council Funds	284,533	5,859,293	5,827,786	316,040
Cottage Subdivision Funds	44,853	66,555	45,624	65,784
Northern Community Assets Program	229,788	939,879	1,062,310	107,357
Department of Municipal Affairs				
— Provincial–Municipal Tax Sharing Payments	–	1,180,354	1,180,354	–
Manitoba Health Services Commission				
— Ambulance Grant	1,064	26,572	25,509	2,127
Department of Employment Services and Economic Security				
— Youth Corps Project		223,040	223,040	–
— Career Start	–	3,292	3,292	–
Department of Highways				
– Resource Roads	–	357,730	357,730	–
		$ 9,236,118	$ 9,472,329	
Balance of Specific Purpose Funds, Exhibit A	$ 736,656			$ 500,445

Exhibit C

THE NORTHERN AFFAIRS FUND

TAXATION ACCOUNT

Statement of Revenue and Expenditure for the year ended March 31, 1987 (with 1986 figures for comparison)

	1987	1986
Revenue:		
Taxation levies	$ 852,012	$ 815,086
Grants in lieu of taxes (Note 5)	600,690	605,219
Taxes added	19,044	29,187
Grants in lieu of taxes added (Note 5)	9,044	9,027
Tax penalties	57,690	49,063
Rentals — hay and grazing leases	74,191	63,357
Interest	31,464	23,091
Other	107	794
	$1,644,242	$1,594,824
Expenditure:		
Schools — The Public Schools Finance Board — support to education	$ 844,550	$ 814,840
— special levy	339,837	321,338
Community Councils for local services	199,397	158,030
	$1,383,784	$1,294,208
Taxation account administration:		
Department of Municipal Affairs service charge	40,791	38,066
Other	4,571	10,127
	$1,429,146	$1,342,401
Revenue over expenditure before allowance for tax assets	$ 215,096	$ 252,423
Tranfer of budgeted levy to allowance for tax assets, Exhibit D	125,250	151,159
Revenue over expenditure, Exhibit E	$ 89,846	$ 101,264

Exhibit D

THE NORTHERN AFFAIRS FUND

TAXATION ACCOUNT

Statement of Allowance for Tax Assets
for the year ended March 31, 1987
(with 1986 figures for comparison)

	1987	1986
Balance, beginning of year	$399,192	$167,784
Add:		
Budgeted levy for allowance for tax assets, Exhibit C	$125,250	$151,159
Transfer from surplus, Exhibit E	—	152,414
	$125,250	$303,573
Deduct:		
Taxes and grants in lieu of taxes cancelled	$ 36,188	$ 72,165
Balance, end of year, Exhibit A	$488,254	$399,192

Exhibit E

THE NORTHERN AFFAIRS FUND

TAXATION ACCOUNT

Statement of Surplus
for the year ended March 31, 1987
(with 1986 figures for comparison)

	1987	1986
Balance, beginning of year	$285,828	$466,100
Add:		
Revenue over expenditure, Exhibit C	$ 89,846	$101,264
Adjustment of prior year's operations, (net)	—	10,214
	$ 89,846	$111,478
Deduct:		
Transfer to the Government of the Province of Manitoba (Note 4)	$143,848	$136,672
Transfer to allowance for tax assets, Exhibit D	–	152,414
Tax titles pertaining to Crown Lands	1,646	2,664
	$145,494	$291,750
Balance, end of year, Exhibit A	$230,180	$285,828

THE NORTHERN AFFAIRS FUND

Notes to Financial Statements for the year ended March 31, 1987

1. The Fund carries out the following programs:

   i) It operates the Specific Purpose Funds Account to provide financial services to Community Councils in Northern Areas of Manitoba governed by the Northern Affairs Act;

   ii) It levies property and business taxes based on real property assessments and remits the tax requirements to School Divisions and The Public Schools Finance Board. Taxes collected for local purposes in the communities are remitted to the Community Councils when collected;

   and the Fund accounts for each of these programs separately.

2. The significant accounting policies of the Fund are as follows:

   a) Specific Purpose Funds Account

   The Specific Purpose Funds Account operates on a cash basis of accounting modified as follows:

   Revenue includes amounts received after the fiscal year end, if paid from Government of the Province of Manitoba appropriations for the fiscal year ended.

   Expenditure includes payments after the fiscal year end, if requisitioned prior to the fiscal year end and funded with revenue for the fiscal year ended.

   Accounting Change

   For the year ended March 31, 1987 the Fund changed its policy of accounting for expenditure in the Specific Purpose Funds Account from the cash basis of accounting to the cash basis modified to record payments requisitioned prior to fiscal year end and funded with revenue for the fiscal year ended. Comparative data for the prior year is restated to reflect accounts payable of $364,171, an increase of $364,171 in expenditure for Community Council Funds and a decrease of $364,171 in the balance of Community Council Funds as at March 31, 1986. The effect for the current year is a net decrease of $82,705 in expenditures for Community Council Funds and to record accounts payable of $281,466 as at March 31, 1987.

   b) Taxation Account

   The Taxation Account operates on the accrual basis of accounting and, in accordance with procedures followed by municipal entities in the Province, recognizes taxation revenue and expenditure on the calendar year basis.

3. Administration costs of operating the Fund are paid out of appropriations of the Department of Northern Affairs and are not reflected in the Fund's financial statements.

4. Cash of $100,000 is retained in the Taxation Account to cover current needs. Cash in excess of $100,000 is transferred to the Government of the Province of Manitoba as a contribution to costs incurred by the Province to provide services in remote areas which do not have a local government to provide these services.

5. Grants in lieu of taxes and grants in lieu of taxes added were derived from the following sources:

	1987	1986
Government of the Province of Manitoba	$115,755	$121,631
Government of the Province of Manitoba agencies	278,015	271,363
Government of Canada	71,560	69,732
Government of Canada agencies	144,404	151,520
	$609,734	$614,246

6. The 1986 comparative figures have been restated where necessary to conform to the presentation adopted in 1987.